

**ORGANISATION, MANAGEMENT AND
CONTROL MODEL**
(pursuant to the Legislative Decree 231/2001 and subsequent integrations)

- Annex 5 -
Code of Conduct

Version 3
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1 INTRODUCTION

1.1 FRAME OF THE REFERENCE INTERNAL REGULATION SOURCES

Trafimet Group S.p.A. has prepared:

- An Organisation, Management and Control Model pursuant to the Legislative Decree 231/01 (hereinafter “Model”) that meets the specific provisions included in the decree itself (hereinafter, “Decree”), with the purpose to prevent the commission of particular types of crime, and aims to enable the Company to benefit from the exemption according to art. 6 and 7 of the Decree
- This conduct Code (hereinafter “Code”), which identifies specific punishable conducts that might weaken, also potentially, the “Model”.

The Code has a precautionary function: the codification of the conduct rules to which all subjects shall adapt is an express declaration of the serious and effective commitment of the Company in becoming the guarantor of the lawfulness of its activity, with particular attention to the prevention of crimes.

1.2 SUBJECTS

The Code rules apply, without exception, to the following subjects (hereinafter, Subjects):

- Social Bodies, Employees, para-subordinate Workers
- Contractors, commercial Partners, specific Suppliers in areas identified as “at risk” in the Model and those who have a relationship with the Company, carrying out activities in the name and/or on behalf of the Company itself or anyway performing their own activity for the Company.

The Company will not start nor continue any relationship with subjects that do not intend to follow the principle of strict compliance with the laws and regulations existing in the Country in which the Company carries out its business.

Towards third parties (Contractors, Suppliers, commercial Partners), the Company employees, by virtue of the assigned responsibilities, will:

- Provide adequate information concerning the commitments and duties dictated by the Code;
- Require the duties directly concerning their activity to be respected;
- Implement the necessary internal and, if of their competence, external actions in case of third parties’ failure in respecting the obligation to adapt to the Code.

Anyway, in case the Supplier, Contractor or Business Partner, while carrying out its activity in the name and/or on behalf of the Company (or anyway, while carrying out its activity for the Company) violates the Code, the Company has the power to adopt every measure provided for by the current law, including the termination of the contract. For that purpose, the Company will adopt, in its contracts with the above mentioned subjects, specific clauses binding the subjects themselves to comply with this Code, as well as an express termination clause pursuant to art. 1456 c.c. (cd. Protective clause).

The Company commits to:

- Ensure the circulation of the Code by Employees and para-subordinate Workers
- disclose (following the procedures provided for by the specific information plan) the Code to third parties having a relationship with the Company itself;
- ensure a continuous Code updating, following the changes in the company needs and the current regulations;
- ensure availability of any possible cognitive and explanatory tool concerning the interpretation and implementation of the rules contained in the Code;
- carry out controls concerning any information about a violation of the Code rules, evaluate the facts and take – in case a violation is ascertained – adequate sanctioning measures.

1.3 CONTRACTUAL VALUE OF THIS CODE

The rules of this Code are an integral part of personnel's contractual obligations pursuant to the article 2104 of the C.C. (Duty of diligence of the worker) and of the article 2105 C.C. (Allegiance duty) ¹.

Conducts in conflict with the provisions of this Code are evaluated by the Company from a disciplinary point of view, pursuant to the current regulation, applying those penalties justified by the different seriousness of facts.

¹ Art. 2104 C.C. "The worker shall use the diligence required by the nature of the performance, the interest of the company and by the superior one of the national production. He/she shall also follow the dispositions for the execution and the discipline of the work given by the entrepreneur and his/her collaborators on which he/she hierarchically depends"

Art. 2105 C.C. "The worker shall not do business, for own account or on behalf of third parties, in competition with the entrepreneur, nor disclose information concerning the organisation and the production methods of the company, nor use them in a way that could cause it prejudice":

2 RULES OF CONDUCT

2.1 GENERAL

Every Employee/para-subordinate Worker is required to know the rules contained in this Code and the internal and external reference rules that regulate the activity carried out due to his/her role. In case of doubt concerning how to proceed in carrying out their activity, the Company will adequately inform its employees.

Personnel is obliged to:

- follow diligently the rules of the Code and of the Model, avoiding contradictory conducts;
- avoid to implement, to cause or to collaborate to carry out conducts included among those indicated in the Decree;
- collaborate with the Supervisory Body during its verification and surveillance activity, providing all information, data and news required by it;
- ask their managers in case it is deemed necessary or appropriate to receive explanations concerning the interpretation and implementation of the rules contained in the Code and in the Model;
- promptly provide the direct manager, who will inform Supervisory Body, all information concerning possible situations of inadequacy of the Model with reference to the prevention of risks, including the need to update the Model due to changes in the activity or in the organisation; news about alleged conducts – simple attempt too – not compliant to the Code, to the Model and to the relevant conduct procedures and rules;
- give to the Supervisory Body all information provided for by this Code, by the Model or by company procedures;
- offer the utmost collaboration to ascertain possible violations.

Every manager of an organisational function is obliged to:

- make his/her conduct become a model for his/her collaborators;
- guide employees and para-subordinate workers to respect the Code and the Model;
- ensure that employees and para-subordinate workers understand that respecting the rules in the Code and in the Model is an essential part of the job performance quality;
- promptly inform the Supervisory Body about news obtained directly or given by the personnel concerning possible violations of the rules;
- promptly implement adequate remedial measures, when required by the situation;
- impede any kind of retaliation.

An adequate documentation concerning every operation at risk shall be retained, in order to be able to proceed at any moment with controls concerning the characteristics of the operation, the relevant decision-making process, the authorisations released for the same and the verifications carried out on it.

2.2 IN THE RELATIONSHIPS WITH INSTITUTIONS, PUBLIC ADMINISTRATION AND SUBSIDIARY BODIES

The relationships of any nature with Institutions, Public Administration and subsidiary Bodies shall be transparent and in line with the Company policy and shall be maintained by those company functions formally designated to that.

The Company considers as corruption acts both illicit payments made directly by Subjects and/or Italian Bodies or by their Employees, and those made through Subjects acting on behalf of the same in Italy or abroad.

In particular it is expressly forbidden to:

- Make money transfers to public officers or people with a public service task;
- Offer money or gifts, unless these are gifts or utility of use with modest value, and anyway not undermining the integrity or reputation of one of the parties, and not understandable as aiming to obtain improper benefits
- Concede other benefits of any nature (like promises of employment, direct or for relatives, assign tasks to recommended subjects, etc.) in favour of representatives of the Public Administration, which could implicate the same consequences provided for in the previous point.

The above mentioned conducts are forbidden also in case they are the result of a compulsion or induction implemented by the Public Officer or the appointee of a Public Task; in that case, the Employee must inform, about that circumstance, his/her hierarchical superior, who will report that to the Supervisory Body.

In selecting the Suppliers and in conferring professional tasks, objective and transparent selection methods must be respected, inspired by the principles of competence, economy, transparency and correctness, and the phases concerning the beginning, management and termination of the above mentioned relationships shall be adequately documented.

All payments and/or sums given for any reason to the assignee with tasks of professional nature shall be adequately documented and anyway proportionate to the activity carried out, also taking into consideration the market conditions.

It is forbidden to transfer payments in favour of Contractors without an adequate justification related to the type of task to be carried out and to the local current practices.

The evaluation of the personnel to be employed must be carried out basing on the correspondence between the candidates' profile and the company needs, ensuring equal opportunities to all the interested subjects.

Statements made to public subjects in order to obtain provisions, contributions or loans, shall contain only true information and, in case the relevant sums are obtained, the specific balance sheet must be released.

It is forbidden to:

- Produce false or counterfeit documents and/or data or omit due information, also in order to obtain contributions/subsidies/loans or other provisions from the State or public Bodies or from the European Community; this prohibition remains also in case contributions/subsidies/loans/provisions are obtained by customers in relation to products supplied by Trafimet Group S.p.A;
- Allocate contributions/subsidies/loans to purposes different from those they were obtained for;
- Access in an unauthorised way the Public Administration information systems to obtain and/or modify information to the benefit of the Company.

Those who carry out a control and supervision function concerning the fulfilment of the above mentioned activities (payment of invoices, allocations of loans obtained from the State or community bodies, etc.) must pay particular attention to the implementation of those fulfilments themselves by the appointed subjects.

In case of business negotiation with, request to and/or relationship with the Public Administration, the appointed personnel (at any level) shall not try to influence the decisions of the Counterparty, including Functionaries that negotiate or take decisions on behalf of the Public Administration.

In the specific case of carrying out a tender with the Public Administration, it will be necessary to operate respecting the Law and the correct commercial practice.

If the Company uses a Body and/or third Party to represent it in its relationship with the Public Administration, the same directives valid for the Employees of the Company will be valid for the same and its Employees and/or Collaborators.

Furthermore, the Company shall not be represented by third Parties whose collaboration might imply a possible conflict of interest.

The Company fully and scrupulously implements the fulfilments towards the Supervisory Bodies and collaborates actively to investigations.

It is forbidden to exercise, directly or indirectly, undue pressure (exercised or attempted in any form) aiming to convince the jurisdictional Authority to favour the Company while taking a decision on a dispute.

In case of an inspection by the judicial Authority (or delegated Judicial Police), the utmost collaboration and transparency shall be granted, without reticence, omissions or statements not corresponding to the truth. Should anyone ask his/her collaborators not to provide the required information or to provide information not corresponding to the truth, he/she will be

sanctioned.

Concerning their relationship with the judicial Authority, the Subjects and, in particular, those who might be investigated or accused in criminal proceedings also connected or relevant to their occupational activity in Trafimet Group S.p.A., are required to express their representation of facts freely or exercise their right to decline to answer granted by law.

The Company expressly forbids anybody to coerce or convince, in any form and in any manner, in the misunderstood interest of Trafimet Group S.p.A., the Subjects' will to answer the judicial Authority or decline to answer.

The dispatch of computer or telematic communications to the P.A. and the receipt of computer or telematic communications from the P.A., are reserved exclusively to the assigned personnel, according to the authorisation system implemented in Trafimet Group S.p.A. This personnel is authorised to use the company computer and telematics systems through the access profiles given to them.

The use of tools different from those of the company, as assigned above by Trafimet Group S.p.A., or specifically supplied, one-off or from time to time, by the P.A. itself (e.g.: Entratel channel), to send computer or telematic communications to the P.A. or receive acts, is forbidden to anyone operating in the name of Trafimet Group S.p.A. to process data and information concerning the relationship with the P.A.

It is anyway forbidden to communicate electronic documents to the P.A. by means other than Certified Electronic Mail, or send to the P.A. communications by Certified Electronic Mail whose attached document does not bear the electronic signature of the subject responsible for the signature itself, unless the body itself requires ordinary mail.

It is expressly forbidden to anyone who i) has a relationship with the P.A. entailing computer or telematic communications in the name of, or from the P.A. towards, Trafimet Group S.p.A., or ii) operates for any reason on data, information or programs contained in a computer or telematic system (owned by or anyway available to Trafimet Group S.p.A., or owned by the P.A. itself) to alter in any way the operations of a computer or telematic system or to intervene, without any right, in any manner, on data, information, programs contained in a computer or telematics system, or pertaining to them, in order to obtain an unfair advantage, with the detriment of others, for him/herself or others.

The Company condemns any conduct intended to make false statements to a public officer, in a public act (or comparable, such as e.g. self-declaration substituting attested affidavit, self-certification, etc.), facts for which the act is intended to prove the truth.

Including, but not limited to those cases hereinafter, it is expressly forbidden to:

- Submit to a public officer false declarations and/or communications required by law in which it is stated to possess the requirements provided for by the regulation;
- Release false declarations to the custom agent responsible for compiling the clearance certificate (for example to submit to the Custom Office documentation stating the possession of the status of “Authorised Exporter” towards a third Country not included in the list of those present in the possessed authorisation);
- Falsely state not to have been subjected to any criminal conviction in a self-declaration substituting attested affidavit;
- Falsely declare to possess the requirements to participate in a tender (for example, to have paid all the due taxes);
- Falsely report to the Police to have lost documents as driving license, insurance documents, cheque, credit card, etc.

Furthermore, the Company condemns any conduct entailing:

- the creation, in full or partially, of false public acts or the alteration of public acts;
- the forgery or alteration of administrative certificates or authorisations, or making the conditions for their validity seem to have been fulfilled, through forgery or alteration;
- the simulation of a copy of the acts themselves and the release of the same in legal form;
- the release of a copy of a public or private act different from the original.

Including, but not limited to those cases hereinafter, it is expressly forbidden to:

- counterfeit a document (driving license, registration certificate, etc.) making it seem to have been released by an agency that handles car paperwork;
- create a false car registration plate;
- counterfeit certificates of incorporation by falsifying the notary stamp;
- counterfeit the bank receipts concerning the proxy for tax payments and the receipts of postal deposits (e.g. alteration of receipts confirming the payment of car taxes and clearance bills);
- materially counterfeit the F24 forms to pay the taxes;
- counterfeit acts authenticated by a notary;
- destroy the documents concerning protests after issuance by the person who submits the titles;
- alter the expiration of the parking time on the receipt released by the parking meter in the areas reserved to the parking of the municipality cars.

In general anyone who becomes aware of conducts at risk of crime pursuant to the Legislative Decree 231/2001, in a direct or indirect way, must report it to his/her direct superior and/or the Supervisory Body (also in case of attempted concussion by a public officer towards an employee or other collaborators).

2.3 CONDUCT WITH REGARD TO HEALTH AND SAFETY

In order to prevent crimes against health and safety at work (art. 25 septies of the Legislative Decree 231/2001) it is expressly mandatory to:

- Implement the regulation concerning safety and health at work (Legislative Decree. 81/08);

- Respect and implement the directions established in the Consolidated Law about safety in order to ensure reliability and legality of the workplace and, consequently, the physical safety and the protection of the moral character of employees, by respecting what defined in the company organisational procedures;
- Avoid conducts that, even though not constituting a crime by themselves, are among those considered, potentially able to increase the risk of 231 crimes to occur.

Decisions, of any kind and at any level, concerning health and safety at work, shall be based on the following principles and criteria:

- a) Avoid risks;
- b) Evaluate risks that cannot be avoided;
- c) Battle risks at their source;
- d) Adapt work to man, in particular with reference to the conception of workplaces and the choice of work and production equipment and methods;
- e) Keep the degree of technical evolution into consideration;
- f) Replace what is dangerous with what is not or less dangerous;
- g) Plan prevention, focusing on a coherent complex able to integrate the same technique, job organisation, working conditions, social relationships and the influence of the workplace factors;
- h) Give priority to collective protection measures over individual protection measures;
- i) Provide workers with adequate instructions.

The need to follow all the conduct rules, procedure regulations and operation instructions already required in all the documents composing the Safety at Work Management System (SGSL) is hereby reaffirmed.

In general anyone who becomes aware of conducts at risk of crime pursuant to the Legislative Decree 231/2001, in a direct or indirect way, must report it to his/her direct superior and/or the Supervisory Body (also in case of attempted concussion by a public officer towards an employee or other collaborators).

2.4 CONDUCT CRITERIA WITH REGARD TO ENVIRONMENT

TRAFIMET GROUP s.p.a. commits to respect the law with regard to environment and to implement preventive measures to avoid or at least to minimise the impact on environment.

In particular, the Company aims to:

- a. Adopt the appropriate measures to limit and – if possible – eliminate the negative impact of its business activity on environment, not only when the risk of detrimental or dangerous events is proved (preventive activity principle), but also when it is not sure if and how much its business activity exposes environment to risks (precaution principle);
- b. Favour the adoption of measures able to prevent possible damages to environment, instead of waiting for the need to put a remedy to a damage already caused;

- c. Plan an accurate and constant monitoring activity on the progresses in science and the evolution of regulations concerning environment;
- d. Foster the values of training and sharing the code principles among all the subjects operating in the company, apical or subordinate, in order to make them follow the established ethical principles, in particular when taking decisions and then implementing them.

In the waste management activity, the Company requires the following conduct rules to be respected:

- Prohibition to abandon or drop off waste in an uncontrolled way, or to discharge it into surface or underground waters
- Prohibition to retain waste in a “temporary depot” not meeting the requirements and beyond the time limits provided for by the law;
- Prohibition to mix waste (in the absence of a possible suitable authorisation);
- Prohibition to declare false indications about the nature, composition and chemical-physical characteristics of the waste when preparing a certificate of analysis of waste, or prohibition to use a false certificate while transporting waste;
- Prohibition to bestow the produced waste to a waste treatment facility which is not specifically authorised;
- Prohibition to discharge waste of any kind, solid or liquid, in the surface or underground waters.
- Prohibition to burn waste produced by the company itself, inside or outside the company area and to burn third parties’ waste found abandoned or dropped off;
- Prohibition to abandon and/or drop off waste which will be later burnt by third parties;
- In case third parties’ waste is found in areas which are a property of the Company, treat it as waste produced internally and dispose it following the rules disciplined by the relevant procedure.

In the activity of managing emissions to the atmosphere, observation of the following provisions is required:

- Prohibition to emit to the atmosphere violating the emission limits provided for by current law;
- Obligation to stop and reduce the use of ozone-depleting substances.

In case an event potentially able to pollute a site occurs, it is mandatory to inform the relevant public authority about that circumstance.

Each Employee/Collaborator must contribute to a good environmental management, always operating in the respect of current law, and not expose the other Employees/Collaborators to risks that might damage their health or physical safety.

2.5 CONDUCT WITH REGARD TO BOOK ENTRY

All the legal framework must be strictly respected, including instructions issued by the public Authorities in charge, and the policy/procedure adopted by the Company concerning the preparation of tax declarations, settlement and calculation of contributions.

All accounting actions and operations of the Company must be adequately registered and it must be possible to verify *ex post* the decision-making, authorisation and implementation process.

Each operation shall have an adequate documentary support, in order to be able at any moment to carry out checks attesting the characteristics of and the reasons for the operation and identify the subjects who authorised, implemented, registered and verified the operation itself.

Book entries – all documentations that numerically represent operating facts, including internal notes for reimbursement of expenses – must be kept in an accurate, complete and prompt manner, respecting the company procedures concerning accounting, with the purpose of faithfully representing the patrimonial/financial situation and the management activity.

Information and internal training concerning the tax system shall be fostered and the widest dissemination and knowledge by the company functions in charge of the policy/procedure adopted by the Company concerning the preparation of tax declarations, settlement and calculation of contributions must be granted.

All Employees and Collaborators are required to collaborate at their best promptly providing, depending on their competence, complete, clear and true data and information; at the same time all Employees and Collaborators are required to communicate – within the term provided for by the company procedures – any information in their possession which is relevant to book entry.

Financial statements and company communications provided for by Law and by the special applicable rule must be drawn up in a clear way and represent in a correct and true way the patrimonial and financial situation of the Company.

Employees are required to promptly inform their supervisors and/or the Supervisory Body in case they observe omissions, serious negligence or forgery of accounting and/or of the documentation on which book entry is based.

2.6 CONDUCT WITH REGARD TO THE COMPANY

Denunciations, communications and deposits at the Company Register which are mandatory to the Company shall be carried out by the subjects identified by law in a prompt and true way and respecting the current law.

It is expressly forbidden to impede or hinder, by hiding documents or by other measures, the implementation of the control or audit activities legally conferred to Shareholders, other Company Bodies or Auditing Firms.

It is forbidden to implement fake, or otherwise, fraudulent conducts aimed to determine the majority in the meeting.

It is prohibited, also through dissimulated conducts, to return conferment assigned by the shareholders, or exempt them from the obligation to implement the same, outside the cases of legitimate reduction of the share capital.

It is prohibited to distribute profits or down payments on profits not effectively obtained or intended as a reserve nor distribute unavailable reserves.

It is prohibited to make reductions in the share capital, mergers or divisions violating the Law provisions safeguarding Creditors.

It is forbidden to fictitiously create or increase the Company share capital, by conferring shares or parts for a sum which is lower than their nominal value, mutual share subscription, overvaluation concerning the conferment of assets in kind or credits, that is the patrimony of the Company in case of transformation.

Any kind of operation that might cause damage to Shareholders and Creditors is forbidden.

It is prohibited to implement real or fake operations that might falsify the correct dynamics that create the request and offer of financial instruments and the implementation of operations that might take illicit advantage from disseminating incorrect news.

Even the attempt to carry out the above mentioned conducts is forbidden.

2.7 CONDUCT WITH REGARD TO ANTI-MONEY LAUNDERING

The Company condemns any activity that entails money laundering (or acceptance or treatment) of income from criminal activities in any form or way.

For that purpose, Management, Employees para-subordinate Workers and third parties operating in the name and/or on behalf of the Company are obliged to respect and apply the anti-money laundering Italian and European laws, with the invitation to carry out the possible reports provided for by the current law.

It is forbidden to transfer cash or bearer bonds, when the total value of the operation, even if divided, is equal to or exceeds the limit provided for by the current law. It is clarified that also

any other conduct aimed to perfect such transaction (for example a transaction promise or agreement) is prohibited.

Knowing the customers is essential to prevent the use of the production – financial system of the Company for money laundering, as well as to avoid suspicious operations.

In any case, it is absolutely forbidden to have relationships with subjects (individuals and/or legal identities) whose belonging to criminal organisations is well-known or suspected, or anyway operating outside legality, including, but not limited to subjects connected or anyway attributable to the criminal organisations environment, to money laundering, drug trafficking, usury, receiving stolen goods and to labour exploitation.

It is forbidden to authorise payment of goods/services without having verified the adequacy of the supply/performance in relation to the contractual terms.

It is mandatory to be guided by transparency criteria when carrying out the company business and choosing a Supplier, paying utmost attention to the information concerning the third parties with whom the Company has relationships of financial or commercial nature that could even only arise the suspicion of having committed a crime that is a basis for the crime of Self-laundering.

It is not permitted in any case to award compensations in favour of external Consultants which do not have adequate justification in relation to the type of task to be carried out or carried out.

The Personnel adopts all the appropriate tools and caution to ensure transparency and correctness of business transactions.

2.8 CONDUCT AGAINST RECEIVING STOLEN GOODS

The Company does not intend to have business relationships with subjects involved in illicit activities.

In particular, it intends to protect itself from the risk of purchasing material deriving from an illicit activity.

2.9 CONDUCT WITH REGARD TO COUNTERFEITING CURRENCY

The Company condemns any activity entailing falsification, counterfeiting, alteration and/or spending money, legal tender and revenue stamps.

For that purpose, Management, Employees and para-subordinate Workers are obliged to respect and apply the Italian and European law, to prevent also possession and use or spending in good faith, with the invitation to report to the Authority in charge every situation that could be attributable to crimes of this nature.

2.10 CONDUCT WITH REGARD TO CYBERCRIMES

Precise rules of conduct to use the company Computer System are provided for.

The Company forbids possession, reproduction, commercialisation, distribution or sale of copies of software protected by the intellectual property law without having an authorisation by the holder of these rights.

2.11 CONDUCT WITH REGARD TO PRIVATE CORRUPTION

As provided for by art. 2105 c.c., that disciplines the allegiance duty of the employee, “The worker shall not do business, for own account or on behalf of third parties, in competition with the entrepreneur, nor disclose information concerning the organisation and production methods of the company, nor use them in a way that could cause prejudice”.

The allegiance duty therefore substantiates in the obligation for the worker to maintain a loyal conduct towards the employer and to protect in any way his/her interests and, for this reason, any conduct not in line with the duties connected to the integration in the structure of Trafimet Group S.p.A., and such as to betray irremediably the trustworthy basis of the relationship, is a violation of the allegiance duty. Merely as an example:

- Preordaining an activity not in line with the interests of Trafimet Group S.p.A. which might even only possibly cause detriment;
- Misappropriation of confidential company documents;
- Implementation of entrepreneurial activity in competition with Trafimet Group S.p.A., also outside the configuration of the hypothesis of unfair competition provided for by art. 2598 c.c.;
- Dissemination of confidential information, including those concerning:
 - o The technical procedures to operate business, the use of discoveries and inventions, the technical characteristics and the efficiency of the machineries, the projects to modify and modernise the plants;
 - o The organisation of advertising and competition with other companies;
 - o Not yet published financial statements, administrative and financial data concerning the company management;
 - o Personnel management, methods to evaluate the performances of the single employees, merit increases and benefits granted individually;
 - o Relationships with administrative authorities, public bodies, trade unions, suppliers and customers in general;
 - o Deliberations of the board of directors and reasons that determine the decisions of the governing bodies;

o Correspondence in general;
represent a violation of the allegiance duty and are therefore prohibited

The violation of the allegiance duty is a constitutive element of the criminal matter provided for in art. 2365 c.c., denominated private corruption.

Also a violation of the duties concerning his/her own tasks is a constitutive element of the criminal matter of private corruption. All obligations provided for by law or by any other act that is normative, regulatory or of ethical nature, concerning the corrupted subject, shall be considered in the same way.

Therefore, it is expressly forbidden to:

- Offer, consign or promise not due money, also through a third party, to anybody, for him/herself or for others, so that the receivers implement or omit acts violating the duties concerning their tasks and their allegiance duty towards the body for which they operate;
- Grant or promise to anybody other not due benefits, including but not limited to entertainment forms, gifts, trips and other valuable assets, for the purpose mentioned above;
- Demand or receive, not due money or accept the promise, for him/herself or for others, also through a third party, to implement or omit acts violating the duties concerning his/her task or allegiance duties;
- Demand or receive other not due benefits or accept the promise for the purpose mentioned above.

Only offer, donation or receipt of gifts or utility of use with modest value, and anyway not undermining the integrity or reputation of one of the parties and not understandable as aiming to obtain the above mentioned improper benefits, are allowed.

In selecting the Suppliers and in conferring professional tasks, objective and transparent selection methods must be respected, inspired by the principles of competence, economy, transparency and correctness, and the phases concerning the beginning, management and termination of the above mentioned relationships shall be adequately documented.

All payments and/or sums given for any reason to Suppliers and to the assignees with tasks of professional nature shall be adequately documented and anyway proportionate to the activity, service or supply carried out, also taking into consideration the market conditions.

It is forbidden to transfer payments in favour of Suppliers or Contractors without an adequate justification related to the type of task, supply or service to be carried out and to the local current practices.

The Company considers as corruption acts both illicit payments made directly by Subjects and/or Italian Bodies or by their Employees, and those made through Subjects acting on behalf of the same in Italy or abroad.

In general anyone who becomes aware of conducts at risk of crime pursuant to the Legislative Decree 231/2001, in a direct or indirect way, must report it to his/her direct superior and/or the Supervisory Body (also in case of attempted concussion by a public officer towards an employee or other collaborators).

2.12 CONDUCTS WITH REGARD TO COPYRIGHT, INTELLECTUAL AND INDUSTRIAL PROPERTY

Trafimet Group S.p.A. respects the regulation safeguarding marks, patents and other distinctive marks and concerning copyright.

_ Trafimet Group S.p.A. forbids the use of intellectual works lacking the S.I.A.E. (Italian Authors' and Publishers' Association) symbol or bearing an altered or counterfeit symbol, the reproduction of computer programs and contents of databases, as well as the appropriation and dissemination, in any form, of protected intellectual works, also through disclosure of its content before it becomes public. In case of materials covered by copyright supplied by third teaching parties, Trafimet Group S.p.A. authorises the possible use with the prior written agreement of the author and within the limits of the same.

Trafimet Group S.p.A. does not permit the use, in any capacity and for any purpose, of products with counterfeit mark or signs.

Trafimet Group S.p.A. forbids – outside the hypothesis provided for by law or possible agreements with authorised subjects – any production, commercialisation or activity violating third parties' patents

The Company condemns and forbids:

- The publishing of somebody else's intellectual work, or a part of it, without having the right or with usurpation of authorship, or modifying the work, offending the author's honour or reputation;
- The duplication, importation, distribution, sale, detention for commercial and/or entrepreneurial purpose or lease of programs protected by copyright laws;
- The unauthorised reproduction, transmission or dissemination in public of literary, dramatic, scientific or educational, musical or dramatic-musical or multimedia works or parts of works;
- The production or industrial use of objects or assets realised usurping somebody else's patents, marks, designs, models, (knowing their existence) and the use of information or data which are a property of the customer or of third parties, protected by an industrial property right, except for a specific authorisation by the customer or the third party;
- The sale of goods in the place of others or products with a different origin, source, quality or quantity from those declared or agreed.
- Entry into sale or circulation of intellectual works or industrial products with national or international names, marks or distinctive signs aiming to mislead the buyer about the origin, source or quality of the work or product

- Production or industrial use of objects or other assets realised usurping an industrial property right or violating the same (being aware of the existence of the industrial property right)
- Production or introduction in the territory of the State of intellectual works or industrial products bearing national or international forged marks or distinctive signs to do business (violating the rights entitled to the legitimate owner)
- Production or introduction in the territory of the State of intellectual works or industrial products usurping national and international drawings or models, that is counterfeiting, alteration of the drawings and models themselves, to do business.

The Company in its entrepreneurial activities intends to avoid any contact with subjects at risk of relationships with criminal organisations and makes every effort to know its commercial partners and suppliers, verifying their commercial and professional reliability.

2.13 CONDUCT TOWARDS WORKERS AND TO PROTECT THE INDIVIDUAL PERSONALITY

Hiring or using – also through temporary employment services – foreign workers without the residence permit provided for by the current law, or whose permit has expired, and for which no renewal has been required within the law terms, or has been revoked or cancelled, is not permitted.

Every foreign worker, required to have the residence permit or other documentation provided for by the current law, commits to consign a copy of that document when hired, to ask for its renewal well in advance to the office in charge and to communicate to the company the renewal together with the new expiry date, as well as the non-renewal, suspension or cancellation eventually occurred.

The Personnel office controls the residence permits of the foreign workers employed by the company, together with their expiry dates and any possible change (suspension, cancellation or non-renewal).

It is absolutely forbidden to:

- 1) Recruit manpower to be allocated to work by third parties under exploitative conditions taking advantage of the workers' state of need;
- 2) Use, hire or employ manpower, also through the intermediation activity referred to in point 1), submitting them to exploitative conditions and taking advantage of their state of need.

It is also expressly forbidden to:

- 1) Foster, manage, organise, finance or implement the transport of five or more foreign citizens, or
- 2) Implement any act aimed to procuring the illegal access of five or more foreign citizens in the territory of the State or of another State those people are not citizens of, or in which they do not have title to a permanent residence, exposing those people to risks for their lives or their safety, or subjecting them to inhumane or degrading treatments; all this using international transport services or documents forged or altered or anyway obtained illicitly.

All the above is absolutely forbidden also for the purpose of recruiting people to be addressed to prostitution or anyway to sexual or labour exploitation or of exploiting minors to be employed in illicit activities.

It is also recalled that it is a criminal offence to foster, manage, organise, finance or implement the transport of foreign people in the territory of the State, or implement acts aiming to procure their illicit access or favour their permanence in the territory of the State or of another State the person is not a citizen of or in which he/she does not have title to a permanent residence in case:

- a) The facts concerns the illicit access or permanence in the territory of the State of five or more persons;
- b) The transported person was exposed to a risk for his/her life or safety in order to procure his/her illicit access or permanence;
- c) The transported person was subjected to inhumane or degrading treatment in order to procure his/her illicit access or permanence;
- d) The fact was committed by three or more persons acting jointly or using international transport services or documents forged or altered or anyway obtained illicitly;
- e) The authors of the fact possess weapons or explosive materials.

Punishments are increased if the above mentioned facts:

- a) Are committed in order to recruit persons to be addressed to prostitution or anyway to sexual or labour exploitation or concern the access of minors to be used for illicit activities with the purpose to favour exploitation;
- b) Are committed to make profit, indirect too.

Furthermore, it is absolutely forbidden to possess, on paper or in electronic form at the Company premises, or to disseminate by means of the Company website or the publications edited or promoted by the Company itself, pornographic material or virtual images realised using images of minors under the age of eighteen.

With virtual images are meant images realised with graphic processing techniques completely or partially not corresponding to real situations, whose representation quality makes unreal situations seem to be real.

Therefore the Company intends to avoid compulsorily any contact, in its entrepreneurial activities, with subjects at risk of relationships with criminal organisations and makes every effort to know its commercial partners and suppliers, verifying their commercial and professional reliability.

2.14 CONDUCT AGAINST ORGANISED CRIME (ALSO TRANSNATIONAL)

All the activities implemented inside TRAFIMET GROUP S.p.A. or on behalf of it, shall be characterised by the respect of current law, as well as by the principles of correctness and transparency, in order to prevent the Subjects of the Model from committing offences of organised crime (also transnational) type. It is prohibited to use, also through the intervention of third parties, the manpower provided by subjects illicitly present in the national territory and/or in possession of identity documents forged or altered or anyway obtained illicitly.

It is forbidden to use, also occasionally, the Company or one of its organisational units for the purpose of allowing or facilitating the commission of offences indicated in art. 24-ter of the Decree and in art. 10 of the Law no. 146/2006, that includes, but is not limited to:

- conspiracy;
- Mafia-type associations, foreign too;
- Electoral exchanges between politicians and mafia;
- Other crimes committed taking advantage of the conditions defined in art. 416 bis (mafia-type association) or facilitation of the activities of mafia-type associations.
- Conspiracy with the purpose of smuggling foreign tobacco products or aimed at illicit trafficking of narcotic or psychotropic substances;
- Dispositions for illegal immigration;
- Personal aiding and abetting (hypothesis possible only for transnational offences);
- Assistance to the members of associations aimed at terrorism, international too, or at the subversion of democracy.

Furthermore, it is forbidden to provide, directly or indirectly, funds in favour of subjects aiming to implement the above mentioned crimes.

It is forbidden to hire or assign jobs or carry out any kind of commercial and/or financial transaction, both directly and through third parties, with subjects – individuals or legal entities – whose names are included in the Lists (e.g. prefectural white list, list of those companies adhering to the tender Protocol between Confindustria (Italian Industrial Federation) and the Ministry of the Interior, etc.) or with subjects controlled by the latter when such control relationship is well-known.

Hire or assign jobs or carry out any kind of operation such as to present anomalous characteristics concerning type or object, or to entail the beginning or maintenance of relationships presenting anomalous profiles from the point of view of reliability of the same and/or reputation of the counterparties.

The Company intends to avoid any contact, in its entrepreneurial activities, with subjects at risk of relationships with criminal organisations and makes every effort to know its commercial partners and suppliers, verifying their commercial and professional reliability.

2.15 CONDUCT WITH REGARD TO RACISM AND XENOPHOBIA

It is recalled that it is a criminal offence the participation in organisations, associations, movements or groups inciting to discrimination or to violence for racial, ethnic, national or religious reasons, or promoting, inciting or instigating, completely or partially, to the denial, minimisation or apologia of the Shoah or of the crimes of genocide, the crimes against humanity and war crimes.

Therefore, the Company intends to avoid any contact, in its entrepreneurial activities, with subjects at risk of relationships with such organisations and makes every effort to know its commercial partners and suppliers, verifying their commercial and professional reliability.

3 EFFICACY OF THE CODE AND CONSEQUENCES IN CASE OF VIOLATION

3.1 COMPLIANCE WITH THE CODE AND REPORT OF VIOLATION

The task of evaluating the concrete suitability of the Code, to verify its implementation and the compliance with it is assigned to the Supervisory Body..

Each Subject of the Model is required to report:

- Illicit conduct pursuant to the Legislative Decree 231/2001;
- Conduct or events that might constitute a violation of the Model or the Code or, more in general, pursuant to the Legislative Decree 231/01.

In particular, the Subjects of the Model are required to report to the Supervisory Body conducts at risk of crimes pursuant to the Legislative Decree 231/01, concerning the processes of competence, they have become aware of, due to their function, directly or through their collaborators, which might entail:

- The commission, or the reasonable risk of commission, of the crimes provided for by the Legislative Decree no. 231/2001;
- The substantial non-fulfilment of the conduct rules/procedures/protocols issued by the Company and/or anyway a violation of the Model.

In any case, information shall be compulsorily and immediately transmitted to the Supervisory Body, by anyone who becomes aware of them, that might be relevant to violations, also potentially, of the Model including, but no limited to:

- Possible orders received by a superior and deemed not compliant with law, the internal regulation or the Model;
- Possible requests or offers of money, gifts (exceeding a modest value) or of other units coming from, or addressed to, public officers or people with a public service task;
- Possible omissions, negligence or forgery in keeping the accounts or retaining documents on which book entry is based ;
- Measures and/or news from the judicial police, or from any other authority, from which the implementation of investigations concerning, also indirectly, the Company, its employees or the members of the social bodies can be deduced;
- Possible reports, not promptly taken into consideration by the functions in charge, concerning both deficiencies or inadequacy of places, of work equipment, or protective devices provided by the Company, and any other situation of risk concerning health and safety at work.

Reports shall be addressed to:

- The direct superior;
- Directly to the Supervisory Body in the following cases: i) in case of failure of the direct superior; ii) in case the employee does not feel free to speak to the direct superior him/herself about the fact to be reported; iii) in case there is no direct hierarchical superior or it is not possible to identify one.

The Subjects of this Model are also obliged to give the Supervisory Body all information or documents required by the same in carrying out his/her tasks.

The function manager, in case he/she becomes officially aware of news, also from judicial police officers, concerning crimes or offences with an impact on the company, shall report it to the Supervisory Body.

Reports to the Supervisory Body shall be sent in written form through one of the following communication channels established by the Company with the purpose of maintaining the identity of the reporting person confidential:

- Organismo di Vigilanza (Supervisory Body), c/o Trafimet Group Group Spa Via del Lavoro no.8
- ODV@trafimet.com

The Supervisory Body is required to verify promptly, in a punctual and attentive way, the news received and, once the validity of the report is ascertained, submit the case to the company function in charge of applying possible disciplinary measures or activating the contract resolution procedures. The Supervisory Body has the power to summon and question the subject author of the report and possible other involved subjects, eventually consulting the Company directors (President of the Board of Directors).

Reports to the Supervisory Body, that can also be in anonymous form, must be detailed and based on precise and concordant factual elements enabling the Body itself to investigate. In case it is not detailed enough, the Body will evaluate whether to take it into account or not.

The Company protects who makes reports in good faith from any kind of retaliation, penalisation or discrimination. In fact, in case of information about a violation, occurred or attempted, of the rules contained in the Code, Trafimet Group S.p.A. will ensure that nobody, in the workplace, suffers direct or indirect retaliations, illicit conditioning, annoyances and discriminations for reasons connected, directly or indirectly, to the report.

The adoption of discriminating measures against the subjects who make reports can be reported to the national labour Inspectorate, for the measures of competence, not only by the reporting subject, but also by the trade union indicated by the same.

All the company subjects involved in receiving and processing reports are required to ensure the absolute confidentiality of their content and of the identity of the reporting person; in particular, it is expressly forbidden to communicate or provide to the possible reported person indications about the reporting person.

The company adopts adequate measures in order to grant at any time the confidentiality of the identity of the reporting and the reported persons also while processing the report; it all respecting also the legislation on privacy.

3.2 PENALTIES

The violation of the conduct rules established in this Code and in the company procedures compromises the relationship of trust between the Company and anyone who commits the violation (Subjects).

It is specified, that a violation of the Model and/or Code are also:

- Any form of retaliation against the person who made reports in good faith about possible violations of the Model;
- Any accusation, with fraud and gross negligence, made against others of having violated the Model and/or illicit conduct, being aware that such violation and/or conduct did not occur;
- The violation of measures protecting the privacy of the reporting person.

Violations, once ascertained, will be incisively prosecuted, promptly and rapidly, by adopting – according to what provided for by the current law – adequate and proportionate disciplinary measures, not depending on the possible criminal charges on those conducts and on the initiation of a process in case they constitute a crime.

Disciplinary measures for the violations of the Code are adopted in line with the current law and with the relevant national and company employment contracts. Those measures can also include dismissal from the Company of the responsible persons.

Referring to subjects not bound to the Company by an employment relationship, violations will be punished applying the statutory remedies provided for by the judicial system.

CODE DISSEMINATION

In order to ensure a correct understanding of the Code, Trafimet Group S.p.A has prepared an information plan which ensures its complete dissemination and explanation.

In particular this Code will be extended to the knowledge of social bodies, Management, Employees, para-subordinate Workers, commercial Partners, Suppliers and any other third party subject who has relationships with the Company or can act on behalf of the Company itself.

The Code is published in the company web site with adequate prominence.

The Code updates and revisions are defined and approved by the Company Board of Directors, having consulted the Supervisory Body.

4 REFERENCES

- Legislative Decree 8th June 2001 no. 231 and subsequent updates
- Confindustria (Italian Industrial Federation) Guidelines for the creation of the Organisational Model Legislative Decree 231/2001
– edition 31st March 2008.
- Safety Consolidated Law (Legislative Decree 81/08)