

BFE S.r.l.

Code of Ethics

Approved by the Board of Directors on 30 June 2014

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1. INTRODUCTION

1.1 Code of Ethics

The Code of Ethics defines a set of ethical duties and responsibilities connected in general to the business and corporate activities of B.F.E. S.r.l. (hereinafter referred to as B.F.E. or the Company.).

The recipients of the Code of Ethics are the Company, the Company's staff, whether directors, auditors, employees, external collaborators, freelancers, consultants, suppliers, agents, distributors and all personnel working on the basis of obligations in respect with the Company or in the Company's interest, as well as Company quotaholders (all such persons are jointly referred to as the Recipients).

The Code of Ethics' principles and rules of conduct should be referred to and followed in the decision-making process in professional training; they guide Company behavior and are binding for the Recipients in the context of performing business activities; External Parties, such as all the entities (other than the Recipients) that carry out relationships with the Company for the execution of their respective business activities, should also follow these principles and rules.

The Code of Ethics consists of:

- general principles on the relations between the Company and the Recipients, among themselves, the relationships with External Parties; these principles set out the reference values to be followed in the context of the Company's business activities;
- standards of conduct that are specific guidelines and rules to which the Company and the Recipients are required to comply with in order to observe the general principles and to prevent the risk of non-ethical conducts;
- the mechanisms necessary to implement, monitor and promote the observation and compliance with the Code of Ethics, essential for ensuring its continuous improvement.

1.2 Adoption of the Code of Ethics in the framework of the organizational form pursuant to Italian Legislative Decree 231/2001

B.F.E. is aware of the need of ensuring fairness and transparency in the conduct of business activities and providing for the ethical responsibility of the Recipients, and has therefore adopted this Code of Ethics by means of a resolution of the Board of Directors.

B.F.E. also requires that its main suppliers and clients behave in accordance with the principles set out in this Code of Ethics.

The Code of Ethics was approved in the context of the approval by B.F.E. of the Organizational Model pursuant to Italian Legislative Decree 231/2001, of which the Code of Ethics forms an integral part.

The Code of Ethics expresses B.F.E.'s commitment to fairness and integrity in the implementation of the Company's business, to protect the environment and its employees and brings to the attention of all the Recipients the human values and principles contained herein as a strategic resource for Company.

1.3 Compliance with the rules

The Company and all the Recipients should comply with:

- (a) all the laws and regulations in force in each Country or context where the Company carries out its business activities, with particular reference to those aimed at protecting the environment and the workers' health and safety;
- (b) the Code of Ethics (and the provisions of the Organizational Model, of which the Code of Ethics forms an integral part);
- (c) internal regulations, and process, from time to time applicable.

Any conduct which violates these rules must be interrupted immediately by those who have the power to do so, and reported to the Supervisory Board.

1.4 A cooperative and transparent approach

The Company shall maintain and develop a relationship of trust and transparency:

- (a) between the Company and the Recipients;
- (b) among the Recipients themselves;
- (c) in the relations with the Company's External Parties.

1.5 Unethical conduct

Unethical conducts committed during the activity of the Company jeopardize the relationship between the Company and the Recipients, among the Recipients themselves, and with Company's the External Parties; the behaviors of anyone who tries to obtain benefits from the contributions of others individuals, by exploiting positions of power, are unethical and foster attitudes of hostility towards the Company.

1.6 The value of the reputation of fiduciary duties

A good reputation is an intangible essential resource:

- (a) it favors investments from quotaholders and the trust of clients, it attracts the best human resources, gives serenity to the suppliers, it is a sign of credibility towards creditors and it is an effective support in the relationships Recipients;
- (b) within the Company, it allows decisions to be made and implemented without friction between the Recipients and allows the organization of the workload without the need of bureaucratic controls and excessive use of authority.

The Code of Ethics is an essential element for the Company's good reputation and the actual compliance with the Code of Ethics is an essential factor for assessing and judging the Company's reputation.

1.7 The value of reciprocity

This Code of Ethics is based on the idea of cooperation as a relationship that is able to bring mutual benefit to all the parties involved while respecting the specific role of each one involved. B.F.E. therefore requires that each of the Recipients and the External Parties behaves on the basis similar ethical principles and rules.

2. GENERAL PRINCIPLES

2.1 Impartiality

When making decisions that may affect its relationships with Recipients and External Parties, including without limitation the choice of the clients to be served, the relationships with quotaholders, human resources and workload organization, the selection and the management of suppliers as well as the relations with the community and institutions, the Company shall avoid any discrimination based on age, gender, health condition, race, nationality, political opinions and religious beliefs.

2.2 Fairness in the event of potential conflict of interest

While conducting business activities, situations where a conflict of interest arises or may appear to arise for the individuals involved in the transaction must be avoided at all times. This refers to both the event in which a Recipient pursues an interest astray from the Company's directives and the balancing of the interests of the quotaholders, or when a Recipient obtains 'personal' advantages from the Company's business opportunities, or finally in the event in which representatives of External Parties act in contrast with the fiduciary or institutional duties in connection with to their position.

2.3 Confidentiality

The Company ensures confidentiality of information in its possession and refrains from seeking reserved data, except in the event of express authorization and in any case within the limits of the law. Recipients are also obliged not to use confidential information for purposes not related to the performance of their duties.

2.4 Relations with quotaholders

The quotaholder is not only source of financing, but a person with moral opinions and preferences of various kinds and therefore, in order to be able to make investment decisions and corporate resolutions, a quotaholder requires all the relevant information available. The Company creates conditions that allow the quotaholder to constantly and consciously participate in the relevant decisions; the Company promotes equal access to information and promotes the protection of the quotaholder from actions carried out by any individuals aimed at pursuing their particular advantage; furthermore, the Company strives to ensure that the economic and financial performance is adequate to preserve and increase the value of the business in order to adequately remunerate the risk that the quotaholder takes investing their own capital.

2.5 Value of the resources

The Company is committed to develop the necessary resources to achieve its corporate purpose. To this aim, the Company promotes the value of its resources for improving and increasing its expertise and skills as well as its competitiveness.

2.6 Authority fairness

In the contractual and organizational relations that imply establishment of hierarchal relationships within the Company, anyone with a higher position in the corporate structure undertakes to make sure that their authority is exercised with equality and fairness, avoiding any abuse. In particular, the Company ensures that the exercise of authority will not derive into an exercise of power detrimental to the dignity and independence of the employee and that the choices of workload management will safeguard the value of each employee.

2.7 Moral integrity of the person

The Company is committed to protecting the moral integrity of the Recipients, providing working conditions respectful of individual dignity in a safe and healthy workplace; therefore, requests or threats that induce people to act against the law and the Code of Ethics, or to behave in a way that is detrimental to their moral and personal preferences are not tolerated in any case.

2.8 Transparency and full disclosure of information

The Recipients should give full, correct, transparent, understandable and accurate information, so that in the development of a relationship with the Company, such individuals are able to make independent and informed decisions concerning the interests involved, the alternatives and the relevant consequences. In contractual relationships, the Company makes sure to specify to the other contracting party the conduct to be taken in all circumstances, in a clear and understandable manner.

Furthermore, the relations with the Public Authorities are driven by transparency and fairness. It is mandatory for the Company's employees to take care of and to guarantee the accuracy, the precision and the reliability of any information shared with and any documentation sent to the Public Authority. It is also forbidden to willfully provide wrong or incorrect information likely to mislead the recipients.

2.9 Diligence and accuracy in performing tasks and executing contracts

Contracts and assignments shall be executed in accordance with what is knowingly established between the parties; the Company undertakes not to exploit conditions of ignorance or incapacity of the Recipients.

2.10 Fairness and equality in managing contractual relations

Anyone who works in the name of or on behalf of the Company undertakes not to take advantage of contractual loopholes, or unforeseen events, for renegotiating the contract with the sole aim of exploiting the position of reliance or weakness of the other party.

2.11 Quality of the services and products

The Company aims at the satisfaction and protection of its clients, listening to the requests that may lead to an improvement of the quality of the products and services, employees' and consumer's safety and the protection of the environment from pollution. In this regard, the Company addresses its research, development and sales activities at the high quality standards of its services and products.

2.12 Fair competition

The Company intends to protect the value of fair competition, refraining from collusive and greedy behaviors and abuse of dominant positions, and undertakes to report to the competent bodies all practices aimed at reducing free competition in the market through the appropriate reporting instruments.

2.13 Accountability to the local community

The Company is aware of the influence that its activities can exercise over the conditions and the general wellbeing of the community and, for that reason, it operates by a rigorous program of self-control and compliance with these Code of Ethics.

2.14 Environmental protection

The Company complies with the laws and regulations in force concerning the environment, in each country where it carries out its activities, exercising the responsibilities of the individual in accordance with the internal organizational model. Such commitment is required also for the Recipients; and they shall report any possible violation to the Supervisory Board. The Company preserve the environment through a proper use of resources, and by implementing, whether possible, technologies and eco-friendly methods of production in order to reduce the environmental impact of its production activities.

Furthermore, the Company shall take all appropriate measures to preserve the environment, the community and the future generations by promoting the development of activities in line with this objective, also by raising the awareness of the community.

The assumption of the environmental policy of the Company is expressed by the belief that the environment is a common good to be protected. The Company undertakes, therefore, to put in place training activities for the employees in order to improve their awareness regarding the environmental aspects and impacts associated with their activities and reducing the effects of their actions.

2.15 Use of financial resources

The Company requires that all individuals who use the Company's financial resources act in accordance with standards of lawfulness and correctness.

2.16 Protection of employees' health and safety

The Company complies with the laws and regulations in force concerning the health and safety of the workers, in any place wherever its activities are carried out, enforcing individual liability in compliance with the internal organizational model. Such commitment is required also for the Recipients, and they are required to report any possible violation to the Supervisory Board.

In addition, the Company shall provide a workplace compliant with the applicable standards for safety and health, through the monitoring, management, and prevention of risks related to the performance of professional duties. In this regard, the Company shall prevent accidents or illnesses related to the conditions of the workplace, and shall take all actions necessary or appropriate, such as (i) the continuous training of Company's personnel regarding the activities and issues in connection with the safety on the workplace; (ii) the constant investment of resources in the purchase of new machinery respectful of the highest standards of safety and prevention and in the constant maintenance of existing equipment, and (iii) the diligent monitoring of the compliance by the employees of the provision mandatorily required by Laws.

In order to put in place all the above provisions, the Company needs constant and careful collaboration of all personnel required to comply and ensure compliance, with all orders received during their respective activities.

3. STANDARDS OF CONDUCT

SECTION I – GENERAL STANDARDS OF CONDUCT

3.1 Information handling

Any information relating to business activities, the Recipients and External Parties, is handled in full respect of the confidentiality and privacy of the parties involved in accordance with the protection level provided for each party by law; in this regard, specific policies and procedures for information protection are applied and constantly updated; in particular, the Company:

- organizes information handling in order to ensure correct separation of duties and responsibilities;
- ranks information by increasing levels of sensitivity and adopts appropriate countermeasures in each information-handling phase;
- requires third parties involved in information handling to sign confidentiality agreements.

3.2 Gifts, vouchers and benefits

No form of gift, voucher or benefit are tolerated such as those that could be interpreted as exceeding normal business practices or courtesy, or in any case aimed at obtaining favor in the conduct of any activity related to the Company; in particular, any form of gift, voucher or benefit is forbidden to Italian or foreign officials and their families that can influence their independent judgment or lead to any advantage.

Similarly, as for the commercial relations with third-party companies, it is forbidden to offer, promise or give money or any other form of benefits to anyone, as well as to request, agree to receive or accept donations or other forms of benefits, from anyone.

Such rule, which does not allow for any exceptions, even in those Countries where offering gifts to business partners is customary, concerns both the gifts which have been promised or offered and those received. For sake of clarity, 'gift' shall be intended as to mean any type of gift. In any case the Company refrains from carrying out practices of the companies or entities with which it has relations not permitted by law, by business practices or by the Codes of Ethics if known.

Gifts offered – except those of modest value - must be documented in an adequate manner to allow inspections and their acceptance is subjected to authorization from the department head, who shall inform B.F.E.'s Supervisory Board.

Recipients who receive vouchers or benefits not included in the types permitted shall inform the Supervisory Board, in accordance with the established procedures; the Supervisory Board will then assess the adequacy of the gift received and, if necessary, will provide who donate the present with the Code of Ethics.

3.3 Communication outside the Company

The communications outside the Company is based on compliance with the right to be informed and in any case it is permitted to disclose false information, libel or comments; the information activity shall comply with the laws, regulations and professional practices and shall be carried out with clarity, transparency and timeliness, in order to safeguard price-sensitive information and industrial secrets and others information.

Any form of pressure or acquisition of favorable attitudes by means of communication is forbidden.

3.4 Company transactions, drafting and keeping of the financial statements, accounting books and company's notices

All the Company's actions and transactions shall be duly registered in order to verify ex post the decision-making, the authorization and the execution processes.

The Company's books shall be kept accurately, adequately and timely in order to provide a reliable representation of the Company's profit and losses and financial position and the management activities.

The financial statements and the Company's notices which are mandatorily required by the law shall be drafted clearly and shall represent the Company's profit and losses and financial situation correctly and accurately.

All notices, communications and filing with Companies Registrar which are mandatorily required shall be made by the individuals as identified in the relevant laws, timely, accurately and in compliance with applicable regulations.

It is forbidden to carry out any simulated or otherwise fraudulent activities aimed at obtaining the approval of the quotaholder.

It is also prohibited to share to the supervisory Public Authorities any misrepresentations, even if still under assessment, on the Company's economic or financial position, or to fail to make the mandatorily required communications. The above principle shall be complied with also in respect of any information regarding any asset held or managed on behalf of third parties.

It is in any case forbidden to hinder, in any way, the activities of the authority during audits and / or inspections.

It is forbidden, even by means of misrepresenting conducts, to pay-back any quotaholders' contributions or release such quotaholders from the obligation to make such contributions, except for the cases of lawful capital reduction.

The distribution of any profits or accounts on profits which are not lawfully distributable or which are destined to form reserves required by the law is forbidden, as well as the distribution of any reserve required by the law.

No reduction of the corporate capital, mergers or demergers, carried out in violation of the provisions of law for the protection of creditors, are allowed.

The fictitious creation or increase of the corporate capital, through the allocation of quotas under their fair value as well as are forbidden the overvaluation of contributions in kind or credits or the assets of the Company in the event of transformation.

Any transaction that may cause damages to any quotaholder or creditor is forbidden.

SECTION II – STANDARDS OF CONDUCT IN THE RELATIONS WITH EMPLOYEES

3.5 Human resources selection

Any assessment of perspective employee and collaborators shall be carried out on the basis of the correspondence of the candidate profiles with the expectations and requirements of the Company, always ensuring equal opportunities for all the parties involved; information will only be requested for the purpose of assessing the candidate's professional and psychological attitude, in full respect of their private life and opinions. Within the limits of the information available, suitable measures are adopted in order to avoid favoritism, nepotism or forms of influence during selection and recruitment.

3.6 Constitution of the labor relationship

The employees are hired with regular labor contracts and no form of irregular work is tolerated; upon the constitution of the labor relationship each employee receives clear and accurate information in connection with:

- the characteristics of the function, tasks and assignments to be carried out;

- health and safety profiles and indications about safe and unsafe procedures;
- rules upon applicable law and salary, as set out by the collective labor agreement from time to time in force;
- standards and procedures to be adopted in order to avoid possible risks to health and safety associated with the working activities;
- an extract of the Company's Code of Ethics.

3.7 Human resources management

With reference to human resources management, the following principles are set out in the Code of Ethics, without prejudice to those applied by general regulations:

- a) the Company avoids any form of discrimination against employees; in the human resources management and development processes, as in the selection phase, the decisions are made based in compliance with the expected and actual profiles of the employees and/or upon merit;
- b) positions and tasks are also established considering skills and abilities;
- c) the assessment of the employees is carried out extensively involving their managers as well as, where possible, people who have had relationships with the employee being assessed;
- d) within the limits of information available and privacy protection, the company management undertakes to prevent any form of nepotism;
- e) the managers fully increase the value of the professionals present in the Company through the development and growth of employees; in this context, particular emphasis is put on the managers communicating to each employee their strengths and weaknesses, so that each employee has the possibility to work for improving their skills, also through targeted training;
- f) the Company shall make training instruments available to all employees, with the purpose of enhancing specific skills;
- g) each manager undertakes to enhance the working time of employees and collaborators by requesting them services consistent with the performance of their tasks and the work organization plans;
- h) any request for personal benefits or favors or any conduct that violates this Code of Ethics will be considered an abuse of authority;
- i) employees are involved in the performance of the work also by providing moments of participation in discussions and decision-making processes in connection with the corporate purpose and their achievement; each employee undertakes to take part in such initiatives with a cooperative spirit and independent judgment;
- j) listening to various points of view, consistent with the Company's needs, allows the manager to make the final decisions; however, the employee always contribute to the implementation of the established activities at all times.

3.8 Job reorganization

In the event of job reorganization, the value of human resources will be safeguarded, providing for training and/or professional retraining, when necessary, in compliance with the following general criteria:

- the burdens of the job reorganization must be distributed as uniformly as possible between all the employees, in compliance with the effective and efficient performance of the Company activities;

- in case of new or unforeseen events, which must anyway be reported and communicated expressly, the employee may be assigned to duties different to those they carried out previously, as long as their professional skills are safeguarded.

3.9 Health and safety

The Company complies with the standard in force on safety in the workplace; in order to achieve such purpose, the Company is committed to promoting and reinforcing a safety culture by developing the awareness of risks and promoting responsible conduct to all the employees; furthermore, the Company undertakes to operate in a way to preserve the health and safety of the workers, especially by implementing preventive actions.

To this end, the internal structure, attentive to the evolution of the reference scenarios and the consequent changes to the risks, shall carry out all technical and operational interventions, through the following:

- the adoption of a specific Organizational Model;
- a specific Supervisory Body, with adequate powers and autonomy as well as a separate budget;
- the continuous application and development of safety management procedures;
- continual risk analysis and analysis of the criticalities of the processes and resources to be safeguarded;
- the adoption of state-of-the-art technology;
- suitable employee information, education and training programs;
- the control and update of the working methods;
- the participation in training and communication programs.

3.10 Privacy protection

The employees' privacy is protected through the adoption of standards that specify the information that the Company can request from the Recipients and the relative handling, processing and storage methods, excluding any surveys of the ideas, preferences, personal taste and private life of the employees.

Such standards are also prohibited, except in the cases provided for by law, with reference to the disclosure/dissemination of personal data without prior authorization from the concerned party, and establish the rules allowing each employee to verify the privacy protection regulations; in the event that sensitive data are handled, the Company undertakes to adopt all the necessary precautions and to be compliant with the law.

3.11 Integrity and protection of the person

The Company undertakes to protect the moral integrity of the employees by ensuring the right to working conditions respectful of a person's dignity; for this reason, it protects employees from acts of psychological violence and opposes any attitude or conduct that is discriminatory or detrimental to the person, their beliefs and preferences. Sexual harassment is not tolerated and offensive behavior or speech must be avoided. A Company's employee who believes he or she has been subjected of sexual harassment or to has been discriminated for reasons connected to age, gender, race, health condition, nationality, political opinions and religious beliefs, may report the incident to their line manager, who will refer to the corporate management in order to assess the actual violation of the Code of Ethics. Any disparities, not motivated by the aforementioned reasons, are not considered discrimination if justified or justifiable on the basis of objective criteria.

3.12 Duties of employees

Without any prejudice to the compliance with the general rules contained in this Code of Ethics, the Company's employees shall comply with the following principles:

- a) the employee must act in good faith in order to fulfill the duties listed in the employment contract and the provisions of the Code of Ethics, ensuring the carrying out of the required assignments;
- b) the employee must know and implement what is provided for by the corporate policies regarding safety, information for ensuring integrity, confidentiality and availability and undertakes, in the event of production of documents, to use clear, objective and exhaustive language, allowing any checks to be made by colleagues, managers or external persons authorized to do so;
- c) the Company employee undertake to avoid situations in which conflicts of interest could occur and to refrain from personally benefiting from business opportunities of which they become aware whilst carrying out their functions within the Company; by way of example, the following situations can lead to conflicts of interest: (i) for managerial positions, having economic interest with suppliers, clients, or competitors, including their families, (ii) liaising with suppliers and working for them, even though a family member, at the suppliers premises, (iii) accepting money or favors from persons or companies that have or will have business relationships with the Company;
- d) in the event that a conflict of interest is even just hypothetical, the employee undertakes to report their manager, who, according to the methods provided for, shall inform the corporate management, who then shall assess the situation on a case by case basis;
- e) furthermore, the employee undertakes to provide information about activities carried out in the free time in the event in which these may be in conflict with the interests of the Company;
- f) each employee undertakes to work with diligence to protect the corporate assets, through responsible behavior and in accordance with the operative procedures established to regulate the use, accurately documenting their use. In particular, each employee undertakes to (i) use the goods entrusted to them with utmost care and prudence, paying particular attention to the management of the Company's financial resources and (ii) avoid improper use of corporate assets that could cause damage or reduce efficiency, or in any case are in conflict with company's interests;
- g) each employee is responsible for protecting the resources entrusted to them and must promptly report the units in charge of any risks or events harmful to the Company;
- h) the Company reserves the right to prevent improper use of its goods and infrastructure through the use of accounting systems, financial control reporting and risk analysis and prevention, without prejudice to the compliance with the provisions of laws in force;
- i) with regards to IT tools, each employee undertakes to: (i) strictly comply with corporate safety policies, in order not to compromise the function and security of IT systems; (ii) use the Company's IT resources with the aim of improving their technical knowledge; (iii) avoid the use of Company's IT resources to visit Internet sites with low moral content, or use such means to distribute personal or reserved information and any other Company material.

3.13 Environmental protection

All employees with duties relating to processing, designing or operational execution which may directly or indirectly interact with ambient matrixes such as air, water, soil and waste, shall be made aware of the significant environmental aspects and impact and shall be given procedures and operating procedures for the correct performance of the tasks assigned.

To this end, the internal structure, attentive to the evolution of the reference scenarios and the consequent changes to the risks, shall carry out all technical and operational interventions, through the following:

- the adoption of a specific Organizational Model;
- a specific Supervisory Body equipped with adequate powers and autonomy;
- the continuous application and development of management procedures for environmental criticalities;
- the continual assessment of environmental aspects and impact as well as the criticalities of the processes and resources to be protected;
- the adoption of state-of-the-art technology;
- suitable employee information, education and training programs;
- the control and update of the working methods;
- the participation in training and communication programs.

SECTION III - STANDARDS OF CONDUCT IN RELATION WITH THE CLIENT

3.14 Impartiality and fairness in the relations of BFE and Recipients

The Company undertakes not to discriminate against their clients. Bargaining with clients must occur in accordance with the regulatory principle of contractual good faith and proper execution of mutual obligations and in the prompt communication of any modifications to the general contract terms and conditions set out by the Company, including, without limitation, any economic and technical variations to the provision of the service arising from any cause; elusive or incorrect practices must be avoided in any case.

BFE's Recipients shall operate in compliance with the principles set forth in this Code of Ethics, and, in particular, shall ensure the absence of any shared interest with reference to the Company's clients, whether or not Italian.

3.15 Communication with clients

Communications to the Company's clients, including advertising messages and the content of the Company website, must be:

- clear and simple, formulated using language as close as possible to that normally used by the counterparts;
- compliant with the regulations in force, without resorting to elusive or improper practices;
- complete, so that no significant elements are overlooked that could affect the client's decision;
- true and not misleading insofar as the content and the means of communication.

3.16 Style of conduct of the employees

The style of conduct of the Company and its employees towards clients is based on availability, respect and politeness, for a cooperative and highly professional relationship.

3.17 Quality control

The Company is committed to ensuring adequate quality levels and standards for its services / products, based on predefined levels, as well as regularly monitoring the perceived quality level.

3.18 Client involvement

The Company is committed to always responding to suggestions and complaints from clients and associations for their protection, making use of suitable and timely communication systems. It is the responsibility of the Company to inform clients of the receipt of their communications and the time required to respond, which, in any case, should be brief. To ensure compliance with these standards, a control system is in place for the procedures that govern relationships with clients.

3.19 Management of credits

The Company is committed not to misuse its credits from clients to take advantage of clients or take any other benefit.

In case of credit recovery, the Company shall act according to objective and documented criteria, applying the following principles:

- initiating credit recovery procedures starting from the oldest credit;
- prior disclosure to the debtor about their position and the amount of the claim.

To the maximum extent compatible with corporate interests, the Company shall encourage the amicable resolution of any disputes.

SECTION IV - STANDARDS OF CONDUCT IN RELATIONS WITH SUPPLIERS

3.20 Supplier selection

Without prejudice to the application of the general rules set out in this Code of Ethics, the purchasing processes shall follow the criteria listed below:

- a) searching for the maximum competitive advantage for the Company and granting equal opportunities, fairness and impartiality to each supplier;
- b) aiming at the maximum safety and environmental protection levels that can be achieved from a technical point of view;
- c) in particular, employees involved in these processes are required to (i) not preclude anyone in possession of the requirements of competing for a contract, by adopting objective and documented criteria during the short listing process, and (ii) ensuring sufficient competition;
- d) for certain product categories, the Company has a supplier register; in connection with the qualification criteria, there are no barrier for be listed into the above register;
- e) reference requirements are: (i) availability of appropriately documented resources, including finance, organization structures, design ability and resources as well as know-how; (ii) the existence of effective implementation and, in cases in which the Company specifications provide for it, adequate corporate quality systems;
- f) the Company reserves the right, without prejudice to other potential suppliers, to establish privileged relationships with all subjects who adopt ethical commitments and responsibilities in line with those adopted by the Company itself in this Code of Ethics, with particular reference to commitments regarding environmental protection and the workers' health and safety.

3.21 Integrity and independence in the relationships with the suppliers

The Company undertakes to not discriminate against their suppliers. Bargaining with suppliers is carried out in accordance to the regulatory principle of good contractual faith and proper execution of mutual obligations and in the prompt communications of any modification to the general contract terms and conditions set out by the Company, including, without limitation, any economic and technical variations to the provision of the service due to any cause; therefore, and in any case, elusive or improper practices shall be avoided.

Relationships with suppliers are subject to constant monitoring by the Company and its Bodies and the signing of a contract with the supplier must always be based on extremely clear relationships, avoiding all forms of dependency where possible.

To ensure maximum transparency and efficiency of the purchasing process, the Company complies with the principle that requires:

- the separation of the roles between the unit which requests the supply service and the unit which signs the agreement;
- an adequate traceability of the choices adopted;
- the preservation of information as well as contractual documents for a period of three years.

SECTION V - STANDARDS OF CONDUCT IN RELATIONS WITH THE COMMUNITY

3.22 Economic relationships with political parties, trade unions and associations

The Company shall not finance parties or associations with political purposes neither in Italy or abroad, their representatives, candidates, nor shall sponsor congresses or parties with the exclusive purpose of political propaganda. The Company shall refrain from placing any direct or indirect pressure on political representatives. The Company shall not make contributions to organizations with which there may be a conflict of interest.

However, the Company may cooperate, also financially, with these organizations for specific projects based on the following criteria:

- the project's aim is related to the Company's corporate purpose;
- the allocation of resources is clear and documented;
- the Company has obtained express authorizations from the bodies and authorities responsible for managing these relationships with the Community.

3.23 Contributions and sponsorship

The Company may accept requests for contributions only to proposals made by openly non-profit entities and associations regularly incorporated and that have regular articles of association, that are of high cultural value or benefit and that act at the national level or, in any case, involve a remarkable number of citizens.

Sponsorship activities concerning social issues, the environment, occupational safety, sports, entertainment and art, are only intended for specific events that offer quality assurances or that the Company may collaborate in organizing, in order to ensure originality and effectiveness.

In any case, during the selection of the proposals to accept, the Company shall particularly focus on checking that no personal or corporate conflicts may arise.

3.24 Institutional relationships

Any relations with institutions, including international ones, can be managed exclusively through forms of communication aimed to assessing the implications of the legislative and administrative institutions' activity towards the Company, to respond to informal requests and auditing activities or, in any case, to reveal the Company's position on issues relevant for the Company. To this end, the Company undertakes to:

- establishing, without any type of discrimination, stable channels of communication with all the institutional parties at an international, EU and local level;
- representing the interest and positions of the Company, in a transparent, rigorous and coherent manner, avoiding collusive conduct.

In order to ensure maximum clarity in relationships, contact with institutional bodies will exclusively occur through contact persons who have received explicit mandate from the Company's top management.

3.25 Antitrust and regulatory bodies

The Company is required to maintain full and strict compliance with antitrust laws and regulations issued by the market regulatory authorities and is also required to disclose, through the dedicated offices of B.F.E., any actions taken valuable for antitrust laws. B.F.E. shall not refuse, hide or delay any requests for information from the antitrust authorities and from other regulatory bodies within their inspective functions, and actively participates in the course of related investigative procedures.

To ensure maximum transparency, the Company is committed not to enter into situations of conflicts of interest with employees of any authority and their families.

4. IMPLEMENTATION METHODS

4.1 Supervisory Body

In implementation of the Organizational Model pursuant to Italian Legislative Decree 231/2001, of which the Code of Ethics forms an integral part, the Company's Supervisory Board is established as an internal body of the Company which is entrusted with the task of supervising the function of the Organizational Model and updating it.

4.2 Tasks of the Supervisory Body regarding the implementation and control of the Code of Ethics

Among the specific functions and attributions of the Supervisory Board listed in the Organizational Model, the following are included:

- a) monitoring the actual application of the Organizational Model (and therefore of the Code of Ethics) and the consistency of the actual conduct and the Organizational Model established;
- b) analysis of the adequacy of the Organizational Model (and therefore of the Code of Ethics), i.e. its actual ability to prevent, in principle, conduct contrary to the provisions of the Organizational Model (and therefore the Code of Ethics);
- c) analysis on the soundness and functionality of the Organizational Model (and therefore of the Code of Ethics);
- d) update and adjustment of the Organizational Model (and therefore of the Code of Ethics) following the developments of the legal framework applicable with reference to the conduct of corporate activities;
- e) verification of the situations of violating the Organizational Model (and therefore of the Code of Ethics) and provisions of a system of sanctions to be adopted by the Company;
- f) expression of opinions that are binding to the Company on the revision of the most relevant corporate policies and procedures, with the aim of ensuring their coherence with the Organizational Model (and therefore with the Code of Ethics).

4.3 Communication and training

The company management shall ensure that the Code of Ethics is brought to the attention of all the Recipients and External Parties to the maximum extent possible. In this regard, the Company shall arrange dedicated and suitable communication activities (among these, for e.g., delivery of the Code of Ethics to all the Recipients, preparation of a dedicated section on the corporate website and insertion of dedicated contractual clauses which refer to the Code of Ethics). In order

to promote the proper understanding of the Code of Ethics, the Company's human resources management shall organize a training plan aimed at promoting awareness of the principles and rules of the Code of Ethics.

4.4 Notifications to the Supervisory Body

Whether possible, all the Recipients communicates to the Supervisory Body any situation, fact or act which may be in breach of the provisions of the Code of Ethics, in the context of business activity.

4.5 Violations of the Code of Ethics

The Supervisory Body investigates on possible violations of the Code of Ethics and communicates its findings to the Company's Board of Directors or the employer in accordance with their specific competence, providing sufficient detail of information, for the adoption of the appropriate measures and sanctions.

Any "alerts" regarding the violations of the "Code of Ethics" must be sent to the Supervisory Body by e-mail to the following e-mail address:

odv@bfe.it