

ALMAG S.p.A.

A sole-shareholder company subject to the direction and coordination of Holding Umberto Gnutti S.p.A.

Registered office in Roncadelle (BS), Via Vittorio Emanuele II, 39

Share Capital: € 2.000.000= fully paid up

Fiscal Code and registration n. with the Brescia Company Register : 03368970988

CODE OF ETHICS AND CONDUCT

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Introduction

Since 1945 A.L.M.A.G. S.p.A. (hereinafter “A.L.M.A.G.” or “Company”) has been manufacturing brass bars in different geometries in compliance with national, European and international standards for both industrial and civil fields such as faucets, valves, fittings, metallic precision parts and their components.

The Company is subject to the direction and coordination of Holding Umberto Gnutti S.p.A., which, through strictly commercial and administrative actions, coordinates and plans its activities.

A.L.M.A.G. is one of the leading manufacturers of brass bars in the European market.

With this Code of Ethics and Conduct (“Code”), approved by the Board of Directors on May 15th, 2012 and updated on March 3rd, 2017 the Company lays down the rules of conduct which it intends to follow in its business activities.

First, this Code of ethics and Conduct has the purpose of spreading and sharing ethical principles (Section 1_Ethical principles) within A.L.M.A.G., as well as representing a distinctive and defining element towards the market and the Company’s business partners.

These principles may not be immediately identifiable in a point of Italian Legislative Decree 231/2001, but their respect contributes to create a favorable “environment” for the prevention of crimes.

Section2_Conducts 231 aims instead to suggest or forbid specific conducts in order to prevent criminal offences foreseen by Legislative Decree n. 231; therefore an infringement of the provisions of this Section is punishable.

A.L.M.A.G. is committed to provide the widest possible circulation of this Code and to do everything in its power to ensure that the principles and conducts of the Code are acknowledged and respected by all its recipients.

SECTION 1_ ETHICAL PRINCIPLES

1. General principles

All A.L.M.A.G. activities must be conducted in compliance with the law within a framework of fair competition, with honesty, integrity, fairness and good faith, with respect for employees, associates, customers, suppliers, shareholders and trade and financial partners.

For this reason A.L.M.A.G. is committed to conduct its activities on the basis of the general ethical principles set out below.

- Compliance with the law, honesty, accuracy and integrity

A.L.M.A.G. is committed to carry out its activities in compliance with national, European and international laws, rejecting any illegal practices.

The pursuit of a Company's interest may not, under no circumstances, be considered as an excuse for the non-compliance with the law.

All corporate governance bodies, the management, and more in general the employees and collaborators must respect the current laws, this Code of Ethics and the Company regulations related to it.

- Impartiality, loyalty and non-discrimination

A.L.M.A.G. considers impartiality and loyalty fundamental values for the internal and external relations of the Company.

A.L.M.A.G. opposes, rejects and penalizes any discriminatory conduct, even if apparent, regarding sex, race, language, religion, political opinions, personal and social conditions.

The Company's employees and collaborators, while carrying out their working tasks, must respect the principles of impartiality, loyalty and non-discrimination and not prefer or facilitate people or solutions on the basis of other than technical-professional evaluations.

- Respect for employees, collaborators and people

A.L.M.A.G. respects and protects people's values and rights. In particular the Company guarantees the respect of fundamental human rights and freedoms under the principles of equality and non-discrimination to ensure a tidy coexistence in the workplace.

All Company's employees and collaborators, at every level, must behave according to the principles of fairness, collaboration and mutual respect.

- Transparency, reliability and confidentiality

A.L.M.A.G. and its collaborators are committed to provide complete, transparent, understandable and accurate information so that those people who want to deal with the Company are able to make decisions autonomously and be aware of the relevant consequences.

A.L.M.A.G. ensures the confidentiality of the information in its possession and abstains from seeking confidential data, except in case of explicit and informed consent and in compliance with the existing laws.

All Company's employees and collaborators are bound not to use any confidential information for purposes not related to the exercise of their activity.

- Diligence and accuracy in business and professional activities

A.L.M.A.G. carries out its business activities with high quality performances. Therefore the Company's employees and collaborators must perform their working duties with utmost diligence, accuracy and professionalism.

- Fair Competition

A.L.M.A.G. carries out its business activities respecting fair competition, a fundamental value for the market development and for the protection of the consumers and community interests.

- Image

A.L.M.A.G. image and reputation are values to be safeguarded and strengthened by spreading, sharing and complying with the ethical principles contained in this Code.

All Company's employees and collaborators shall refrain from any conduct that could harm the image of A.L.M.A.G.

2. Specific principles

2.1. Relations with the employees

A.L.M.A.G. acknowledges that professional and motivated human resources play an essential role for the Company's business activities and the improvement of its value, as well as for the customers satisfaction.

The following principles confirm the importance for A.L.M.A.G. of the respect for the individual and the Company commitment to act fairly and without any discrimination.

2.1.1. Selecting, hiring and developing staff careers

A.L.M.A.G. is committed to evaluate each job applicant exclusively on the basis of his/her merits and professional knowledge.

The evaluation of new staff is carried out on the basis of the correspondence of the candidate profiles with the required positions and the company's needs, in compliance with the rules of equal opportunities for all applicants. The information requested is strictly related to ascertaining aspects of the professional requirements, while always respecting the candidate's privacy and opinions.

A.L.M.A.G. rejects and opposes the finalization and exploitation of selecting, hiring or career advancing to obtain favors or to grant privileges.

During the selecting, hiring and staff managing processes, A.L.M.A.G. rejects and opposes any form of discrimination based on sex, race, language, religion, political opinions and personal or social conditions of the candidates and the employees, ensuring to anyone equal opportunities and non-discrimination and it is committed to remove any potential obstacle to effectively achieve this situation.

2.1.2. Staff valorization and training

A.L.M.A.G. is committed to fully use and valorize all the professional skills of its employees, by organizing training meetings aimed at acquiring new fundamental elements needed for each employee and at updating those elements already acquired.

2.1.3. Work environment, integrity and protection of individuals

A.L.M.A.G. is committed to guarantee the safety and the healthiness of the work environment, encouraging all employees to behave responsibly in relation to risk prevention and health safeguard, in compliance with all current laws.

A.L.M.A.G. is committed to enforce the ban on smoking in all the places where there could be a danger for the business activities and for the healthiness of the work environment, in compliance with all current laws.

The Company is committed to protect the moral integrity of its employees, rejecting and opposing any act of psychological violence, or any conduct or behavior that is discriminatory or offensive to his/her person or values.

A.L.M.A.G. rejects and opposes, in its external and internal business relations, any form of harassment that, for example, could arise in a work environment that is hostile to a single worker

or group of workers or when there is an unjustified interference in someone else's job or when obstacles and hindrances are created to obstruct someone else professional perspectives.

A.L.M.A.G. does not tolerate sexual harassment, by which term is meant: the subordination of pay or career prospects to the acceptance of sexual favors or proposals of private interpersonal relationships without explicit consent that could upset the serenity of the recipient.

All employees must abstain from performing their activities under the effects of alcohol or drugs or similar substances and from consuming such substances on the job.

Chronic alcoholism or drug addiction will be equated with the above cases where it affects one's job and could hinder the normal work performance.

2.2. Relations with collaborators and consultants

A.L.M.A.G. carries out the identification and recruitment of collaborators and consultants with absolute impartiality, autonomy and independence in judgment, accepting no compromise or pressure aimed at obtaining favors or advantages.

In this regard, A.L.M.A.G. will only take care of assessing their professional competence, reputation, independence, organizational skills and ability to properly and timely perform the contractual obligations and tasks assigned thereto.

A.L.M.A.G. is committed to pay its collaborators and consultants with a remuneration that exclusively matches the work and services as established in the contract or entrustment act. Payments shall not be made to a party other than the contract counterpart or to a country other than the country of one of the parties or where the agreement shall be implemented, unless for contractual reasons.

2.3. Relations with customers and suppliers

A.L.M.A.G. intends to carry out its business activities by offering high quality products and services, in accordance with the current law on fair competition.

A.L.M.A.G. acknowledges that customers appreciation for the Company's products is of fundamental importance for the corporate success. Therefore A.L.M.A.G. is committed to provide high quality products that satisfy the reasonable requirements and needs of its customers, not only in terms of quality but also of safety and environmental protection.

In the relations with its suppliers, A.L.M.A.G. adheres to this Code principles and to corporate procedures. In this context and in compliance with such provisions, the Company shall select its suppliers on the basis of quality, price, convenience, capacity and efficiency parameters or of other objective, impartial and transparent parameters in order to avoid favoritisms from which A.L.M.A.G. could obtain an advantage.

2.4. Relations with partners

2.4.1. Assets

A.L.M.A.G. is committed to protect all components of its assets in order to avoid losses, thefts or damages.

All A.L.M.A.G. assets cannot be used for purposes other than corporate activities and in no case for criminal activities.

2.4.2. Transparency to the market

A.L.M.A.G. ensures the full transparency of its decisions, giving the market all necessary information so that the investors' decisions can be based on the Company's strategic choices, its management operations and the expected profitability of the invested capital.

The Company's financial communication must be prepared in an understandable, thorough and prompt manner and in compliance with current law.

2.4.3. Accounting

A.L.M.A.G. is committed to observe the rules of correct, complete and transparent accounting, in compliance with the Company's accounting principles and all current legal provisions.

2.4.4. Internal control

A.L.M.A.G. promotes its employees' awareness of the importance of the internal control system, the compliance with the law and corporate procedures.

The Company guarantees that the organization and activities of the staff responsible for the internal control system develop in full autonomy according to privacy, autonomy, independence, fairness principles as well as all principles set forth in this Code.

2.5. Relations with the Public Administration

In its relations with the Public Administration and with all bodies that carry out public duties, A.L.M.A.G. rigorously respect the national and European laws as well as company's procedures.

The relations between A.L.M.A.G. and the Public Administration, or bodies that carry out public duties, can not in any form harm the Company's reputation and integrity.

Only the competent Company's offices can manage discussions, undertaking of commitments and relationships of all kinds with the Public Administration or bodies that carry out public duties.

2.6. Relations with competitors

A.L.M.A.G. rejects and opposes any conduct aimed at obtaining confidential information about its competitors.

The Company respects the current antitrust and fair competition regulations and is committed not to breach such rules (e.g. regulations on dividing up markets, limiting production or sales, fixing prices with competitors etc.)

In a context of fair competition, A.L.M.A.G. is committed not to infringe any third party intellectual property rights, such as, but not limited to, trademarks, patents and copyrights.

2.7. Relations with the community

A.L.M.A.G. is committed to carry out its business activities respecting the interests of the community, also supporting cultural and social initiatives.

2.7.1 Environmental Protection

A.L.M.A.G. is committed to carry out its business activities guaranteeing an environmentally sustainable development. In order to protect and safeguard the environment, according to the current laws, A.L.M.A.G. plans its activities in a way that balances economic activities and essential environmental needs.

2.7.2 Press and other mass media

A.L.M.A.G. maintains relations with press and mass communication organs solely through the corporate bodies and the company positions appointed for that purpose. Such relations must be based on the principles of fairness, openness and transparency in compliance with the communication policies established by the Company. All information and communications related to the Company must be accurate, truthful, complete, transparent and coherent.

A.L.M.A.G. rejects and opposes any form of misinformation and circulation of inaccurate and imprecise news about the Company and undertakes all necessary measures to protect its image and the accuracy of all information about it.

2.8 Conflict of interest

A.L.M.A.G. managers, employees and collaborators must avoid all situations and activities where a conflict with the company interests may arise or that could compromise their ability to make decisions impartially in the best interests of the Company, in compliance with the provisions of this Code.

Relations with current or potential commercial partners, customers, suppliers or other third parties shall not affect A.L.M.A.G. impartiality and judgment.

SECTION 2_ CONDUCTS 231

1. Introduction

1.1. Internal legislative reference sources

A.L.M.A.G. S.p.A. (hereinafter “the Company” or A.L.M.A.G.) has prepared:

- according to Legislative Decree 231/01, an Organization and Management Model (hereinafter “Model”) that responds to specific prescriptions of the decree (hereinafter the “Decree”) aimed at preventing the commission of particular types of offences and in order to allow the Company to get an exemption in compliance with art. 6 and 7 of the Decree.
- this Code of Ethics (hereinafter “Code”), that identifies specific conducts related to the risk of offences as per Decree 231 and therefore punishable because they undermine, even potentially, the “Model”.

The Code has a precautionary function: the codification of conduct rules applicable to all recipients is an explicit proof of the Company serious commitment to guarantee the lawfulness of its activities, with particular reference to the prevention of criminal offences.

1.2. Recipients

The provisions of this Code apply, with no exception, to the following subjects (hereinafter “Recipients”):

- Corporate departments, Employees, Sub-contract workers
- External Consultants, commercial Partners, Suppliers and any third party who has a relation with the Company (hereinafter “Third Parties”) or acts in the name of and/or on behalf of the Company or in any case performs an activity for the Company.

With regard to those third parties, the Company Staff, according to the tasks assigned, will take care of:

- giving adequate information about the provisions and obligations of the Code;
- demanding compliance with the obligations that directly regard their activities;
- taking all suitable internal, and if within their sphere of competence, external initiatives, in case of violations of this Code of Ethics by third parties.

In any event, all kinds of collaborators and consultants of A.L.M.A.G., in performing their contractual duties or required services, must respect the principles of this Code, the corporate procedures and the instructions and requirements given by A.L.M.A.G. Staff.

If the Supplier, the external Consultant or the commercial Partner, while performing an activity in the name of and/or on behalf of the Company (or while carrying out an activity for the Company), violates this Code, the Company is entitled to adopt any remedies provided for by law, included the termination of the contract. To this end, the Company will adopt towards the abovementioned subject an express termination clause as set forth in art. 1456 of the Italian Civil Code (so-called Safeguard Clause).

1.3. ALMAG Responsibility

The Company is committed to:

- guarantee the circulation of this Code with the Employees and contract Workers;

- disclose (according to the procedures established in the specific information plan) the Code to any third party that has a relation with the Company;
- ensure the regular update of this Code, according to the new corporate needs and new laws;
- guarantee any cognitive and explicative tool to better understand and fulfill the provisions of this Code;
- carry out checks for all reports of infringement of this Code, evaluating the facts and, in the event of an ascertained violation, taking adequate punishing measures.

1.4. Contractual value of the Code

The Code of Conduct provisions represent an integral part of the Company employees' contract obligations, pursuant to articles 2104 (Employee diligence) and 2105 (Loyalty obligation) of the Italian Civil Code.

Any conduct contrary to the provisions of this Code will be assessed by the Company from a disciplinary point of view, in compliance with current laws, applying the relevant sanction proportioned to the gravity of the conduct.

2. Rules of Conduct ex Leg. Decree 231/01

2.1. General

Every Employee/Sub-contract worker must be aware of the provisions of this Code and of all external or internal regulations that regulate the activities of his/her corporate position. In the event of doubts about how to perform the activities, the Company will adequately inform its staff.

The staff is also required to:

- duly respect the Code and Model, refraining from conducts contrary to their provisions;
- approach their supervisors if they need any clarification on how to interpret or apply the provisions of the Code or Model;
- report any violation or alleged violation to their direct supervisor or to the Supervisory Board;

fully cooperate in order to verify possible violations.

Art. 2104 C.C. "The employee shall observe the diligence required by the nature of the services to be rendered, by the interests of the company and by the superior interests of national production. Furthermore, the employee shall comply with the instructions for the performance and discipline of the work as are given by the employer and the collaborators to whom he/she is subordinated."

Art. 2105 C.C. "The employee must not make business for himself/herself or on behalf of third parties, in competition with his/her employer, neither must he/she divulge information concerning the organization or methods of production of the company, nor use them in such a way to harm the company"

Every division manager is required to:

- set an example to his/her staff in terms of conduct;

- make sure that the employees and the sub-contract workers follow the Code and the Model;

- take measures so that employees and sub-contract workers understand that abiding by the contents of the Code and Model is an integral and substantial part of their professional service;

- promptly notify the Supervisory Board about any reports of possible breaches, directly acquired or received from his/her employees;

- promptly enforce appropriate corrective actions, if the situation requires it;

- prevent any type of retaliation.

Every Employee/Sub-contract worker must act loyally in order to fulfill his/her contractual obligations; every Employee/Sub-contract worker is not allowed to communicate, disclose to third parties, use or benefit, or allow a third party to use, for any reason other than the performance of the business activities, any information, data or news obtained during his/her working relation with the Company.

To this end, the Employee/Sub-contract worker is required to respect the specific company policies about information security, established to protect the information integrity, confidentiality and availability.

To safeguard all Company assets, every Employee/Sub-contract worker is required to duly perform his/her tasks through responsible conducts.

In particular, every Employee/Sub-contract worker is required to:

- 1) take great care of and use with parsimony the goods he/she is entrusted with;
- 2) avoid improper uses of company assets that may cause damages, or reduced efficiency, or in any way conflicts with the company's interests;
- 3) avoid improper uses of company assets for purposes that are not connected to his/her duties and work, especially if this could harm the Company's image and reputation.

Every Employee/Sub-contract worker is responsible for the protection of the properties he/she is entrusted with, and he/she is required to promptly inform his/her Supervisor of any event that is potentially harmful for the Company.

The Management and anyone who is in a supervisory position are required to oversee the activities of the staff subject to their direction and supervision.

For each risky operation there must be adequate support documentation in order to carry out at any moment inspections showing the characteristics, motivations, authorizations and checks for the operation itself.

The Company, while carrying out its business activities, is committed to avoid contacts with subjects who are at risk of relations with criminal organizations and to know its commercial partners and suppliers, verifying their commercial and professional credibility.

2.2. In relations with institutions, public administration and semi-public bodies

The relations with institutions, public administration and semi-public bodies of any kind must be transparent and coherent with the Company's policies and must be carried out exclusively by the corporate divisions formally appointed for this task.

In the abovementioned relations, A.L.M.A.G. employees and collaborators must not seek to improperly influence the decisions of the public body in order to obtain the performance of acts contrary to the public office duties, by promising or offering, directly or indirectly, work and/or commercial opportunities, gifts, money, favors of any kind.

Corruption

The Company considers acts of corruption unlawful payments either made directly by Italian Bodies and/or Entities or their employees or made through intermediaries acting on behalf of such bodies whether in Italy or abroad.

In particular, it is strictly forbidden to:

- give monetary donations to public officers or persons in charge of public services;
- offer money or gifts, except those of modest value and, in any case, such as not to compromise the integrity or reputation of either party or such that may be interpreted as aiming to acquire improper advantages;
- grant benefits of any kind (e.g. promises of hiring for themselves or for a relative, appointing reported individuals, etc) to representatives of the Public Administration, if this may implicate consequences similar to those set out in the previous point.

The abovementioned conducts are forbidden even if the Public Officer or the person in charge of Public Services forces or persuades the employee to do them; in this event the Employee must report such circumstance to his/her supervisor, who in turn will have to inform the Supervisory Board.

In the selection of the Suppliers and the conferral of professional assignments, unbiased and transparent criteria must be respected, such as professional competence, reputation, independence, affordability, transparency, organizational skills, fairness and ability to properly and timely perform the contractual obligations and tasks assigned. In addition, all the phases regarding the abovementioned relations, such as their conferral, management and termination must be adequately documented.

All the fees and/or sums paid for any reason for a professional assignment must be adequately documented, proportional to the activity carried out and in line with the conditions offered by the market and the contractual obligations.

It is forbidden to give payments to external Consultants which are not adequately justified in relation to the type of service to be performed and to current local practices.

The evaluation of the candidates to be hired is carried out by matching the candidate profiles with the company requirements, safeguarding the equal opportunities principle for all applicants.

Grants, subsidies and public funding

Statements made to public entities for the purposes of obtaining funding, grants or subsidies, as well as the relative documentations, must only contain completely true information.

It is forbidden to:

- provide false or altered documents and/or data or omit due information, in order to obtain grants/funding/subsidies from the State, Public Bodies or the EU; such ban also applies if the grants/funding/subsidies are received by customers in relation to products provided by A.L.M.A.G.;
- allocate public grants/funding/subsidies for purposes other than those for which they were granted;
- obtain unauthorized access to the computer systems used by the Public Administration to obtain and/or tamper information for the benefit of the Company.

Those who are in charge of supervising and checking the abovementioned procedures (e.g. payment of invoices, allocation of funds received by the State or EU bodies, etc) must pay close attention to the correct implementation of all requirements by the competent staff.

Computer Fraud

Computerized or online communications to and/or from the Public Administration are exclusively reserved to the competent staff, according to A.L.M.A.G. authorization system.

These employees are authorized to use the company I.T. system according to their assigned clearance.

It is forbidden, for anyone acting in the name of A.L.M.A.G., to use, in the data treatment and information management with the P.A. and/or to send or receive online communications or acts to/from the P.A., any instruments other than those established by A.L.M.A.G. or made available, from time to time, by the same P.A. (e.g. Entratel portal).

Anyway it is forbidden to send online documents to the P.A. through any means other than the PEC (certified e-mail), or to send to the P.A. communications through PEC with an attached document that does not bear the digital signature of the person in charge of signing.

It is absolutely forbidden for anyone who i) has relations with the P.A. requiring online communications on behalf of A.L.M.A.G., ii) performs any kind of services on data, information or I.T. programs (property of A.L.M.A.G. or available to it, namely to the same P.A.), to tamper in any way, with no rights, with the I.T. system, data, information or program in order to procure an unfair profit for himself/herself or for others or to damage others.

Relations with public inspection agencies and Judicial Authorities

The Company provides full and strict compliance with the rules of the Supervisory Authorities and fully cooperates during inspections.

In its relations with supervisory and inspection authorities, A.L.M.A.G., while respecting their institutional role, fulfills its requirements and obligations with utmost promptness, collaboration and transparency.

It is forbidden to exert, directly or indirectly, undue pressure (in any form exerted or attempted) in order to push the Judicial Authority to help the Company in a dispute.

In the event of an inspection led by a Judicial Authority (or Judicial Police), utmost collaboration and transparency must be ensured, without reticence, omissions or untrue statements. Anyone who requests to his/her subordinates not to provide the required information or to provide untrue information will be subject to sanctions.

In their relations with the Judicial Authority, the Recipients and, notably, those who may result suspected or accused in a criminal proceeding in relation to their working activity for or with A.L.M.A.G., shall be entitled to freely express their account of the facts or to exercise the right to remain silent, according to the law.

The Company specifically forbids in any way, shape or form, acting in the misunderstood interest of A.L.M.A.G., to coerce the Recipients to respond to the Judiciary Authority or to induce them to invoke the right to remain silent.

In general, anyone who, directly or indirectly, becomes aware of any conduct that may involve the risk of criminal offences according to Legislative Decree 231/2001 must report it to his/her direct supervisor and/or to the Supervisory Board (even in the case of attempted malfeasance by a public officer towards an employee or other collaborators)

2.3. Conducts on the subject of private corruption

The so-called private corruption (art. 2635 Italian Civil Code) occurs when money or other goods are given or promised to an individual belonging to another private entity so that he or she omits or does an act in violation of the loyalty principle in connection with his/her position.

As provided for by the Italian legislation, it is necessary that the conduct of the corrupted individual damages the private entity to which he or she belongs.

It is expressly forbidden to:

- provide gifts to individuals belonging to a private entity without notifying their company;
- give or promise money to anyone, for himself/herself or others, so that the recipient could do or omit acts that violate his/her working duties and loyalty to the entity to which he/she belongs, causing a damage, even potential, to such entity;
- grant or promise benefits to anyone, including, by way of example and not limited to, forms of entertainment, gifts, travels and anything of value in the event of the circumstances described above.

A.L.M.A.G. considers acts of corruption unlawful payments either made directly by Italian Bodies and/or Entities or their Employees or made through intermediaries acting on behalf of such bodies whether in Italy or abroad.

In order to have the best understanding of what said above, here there is the definition of loyalty obligation, whose violation represents a constitutive element of the criminal offence as set forth in art. 2365 Italian Civil Code, named private corruption and regulated in art 2105 c.c.: “The employee must not make business for himself/herself or on behalf of third parties, in competition with his/her employer, neither must he/she divulge information concerning the organization or methods of production of the company, nor use them in such a way to harm the company”.

Even the violation of the working obligations represents a constitutive element of the criminal offence of private corruption. Such obligations mean for the corrupted party all legal or regulatory provisions, also of ethical nature.

2.4. In relations with political and trade union organization and mass media

The Company refrains from directly or indirectly lobbying politicians.

The Company does not make contributions to political parties or organizations, whether in Italy or abroad, or to their representatives or candidates and does not sponsor congresses or festivals that serve a purely political propaganda purpose.

However it is possible to cooperate with those organization when the following conditions are simultaneously met:

- lawfulness of the cooperation;
- purposes linked to the Company’s mission;
- expressed authorization, by the appropriate company functions, to manage such relations within the Company.

Any relation between the Company and the abovementioned organizations or their representative shall be characterized by utmost lawfulness, transparency, integrity and neutrality in order to establish a correct dialogue.

In addition, A.L.M.A.G. employees and collaborators cannot provide any information to mass media without the prior specific authorization of the competent corporate functions.

In general, anyone who, directly or indirectly, becomes aware of any conduct that may involve the risk of offences according to Legislative Decree 231/2001 must report it to his/her direct supervisor and/or to the Supervisory Board (even in the case of attempted malfeasance by a public officer towards an employee or other collaborators)

2.5. Conducts on health and safety issues

To prevent crimes related to matters of health and safety at the workplace (art 25-septies of Legislative Decree 231/01), it is an express obligation to:

- enforce the health and safety workplace regulations (Leg. Decree 81/08);
- respect and enforce all regulations established in the Italian Consolidated Safety Act, in order to protect the reliability and the lawfulness of the workplace and, as a result, the physical and moral safety of the employees, by complying with the company’s organizational charts;

- refrain from those conducts that, although per se do not constitute offences included in the above, may potentially become such.

The principles and essential criteria on which decisions regarding health and work safety, of every type and at all levels, are made, can be defined as follows (as per art. 15, Decree 81/2008):

- a) eliminating all risks and, whether it is not possible, minimizing them in relation to the technological progress;
- b) assessing the risks which cannot be avoided;
- c) reducing the risks at source;
- d) respecting healthiness and ergonomic principles in the workplace and in the work organization, in the design of work places, the choice of work equipment and of working and production methods, in particular in order to alleviate the effect on health of monotonous and repetitive work;
- e) replacing the dangerous by the non-dangerous or the less dangerous;
- f) planning all measures deemed appropriate to ensure the improvement of safety levels over time, also through the adoption of codes of conduct and good practice;
- g) giving collective protective measures priority over individual protective measures;
- h) giving appropriate instructions to workers.

Any conduct that puts at risk safety and health in the workplace may be punished.

Every Employee/Sub-contract worker is required to participate to the good management of Health and Safety issues, acting in compliance with the current laws, and he or she shall not put other employees/collaborators at unnecessary risk, which may cause damage to their health or physical safety.

It is understood that, for the specific aspects and obligations related to health, safety and environment protection, every Employee/Sub-contract worker must rigorously comply with the EHS procedures (tenders, chemical agents, waste, machines and equipment, DPI, etc.)

In general, anyone who, directly or indirectly, becomes aware of any conduct that may involve the risk of offences according to Legislative Decree 231/2001 must report it to his/her direct supervisor and/or to the Supervisory Board (even in the case of attempted malfeasance by a public officer towards an employee or other collaborators)

2.6. Conduct principles in environmental matters

ALMAG is committed to fully respect environmental regulations and to enforce preventive measures to avoid or at least minimize the environmental impact of its business activities.

It is mandatory to:

- respect and enforce all current laws (Environmental Code and specific applicable regulations);

- strictly comply with all laws, regulations and procedures that govern the company's activities;
- strictly comply with this Code of Ethics and the company disciplinary system in order to define and punish any employees' conduct that puts at risk environmental safety;
- fully cooperate with the competent Authorities during inspections/checks carried out at the Company;

It is forbidden to behave in such a way that might, directly or indirectly, lead to an environmental crime.

In waste management activities, the Company requires to comply with the following conduct rules:

- prohibition of abandonment, dumping or uncontrolled disposal of waste or injection of pollutants into surface or underground waters;
- prohibition of storing waste "temporarily" without respecting the requirements and the timeframe provided for by the law;
- prohibition of mixing hazardous waste (without proper authorization, if necessary);
- prohibition of stating false claims about the nature, composition and physic-chemical characteristics of the waste in the relative analysis certificates and of using a false certificate during waste transportation;
- prohibition of delivering waste to an unauthorized treatment plant;
- prohibition of contamination of surface and underground waters with solid or liquid waste of any type;
- prohibition of setting fire to the waste produced by the company, inside or outside the company area or setting fire to third parties waste dumped or found;
- prohibition of abandoning and/or dumping waste that third parties might subsequently set fire to;

in the event that third parties waste is found within the company's properties, treat it as internal waste and dispose it according to the relative regulations and procedures.

If an event that could potentially contaminate a site occurs, it is mandatory to alert the competent public authorities.

Every Employee/Sub-contract worker must fully cooperate with the competent Authorities during inspections and/or checks carried out at the Company.

Lastly, it is forbidden to behave in such a way that might, directly or indirectly, lead to an environmental crime.

Every Employee/Sub-contract worker is required to participate to the good management of environmental issues, acting in compliance with the current laws, and he or she shall not put

other employees/collaborators at unnecessary risk, which may cause damage to their health or physical safety.

2.7. Conducts on accounting records

All legal regulations and company's policies and procedures on the subject of financial statements and tax returns must be strictly observed, taking into account also the instructions given by the competent public authorities.

All accounting activities and operations of the Company must be adequately recorded and it must be possible to track ex post the decision making, authorization and implementation processes behind them.

Every operation must have an appropriate documentation, in order to be able at any moment to carry out checks that assess the characteristics and motivations for the operation and identify who authorized, performed, recorded and verified the operation.

Accounting and bookkeeping - all documents that provide a numerical account of operational events, including internal expense reimbursement notes - must be kept accurately, completely and promptly, in compliance with the company accounting procedures, in order to ensure the truthful representation of the company's equity and financial situation and its management activities.

Information and internal training on fiscal and accounting matters must be promoted, and the broadest circulation and knowledge about the corporate functions responsible for the Company's financial statements and tax returns procedures must be ensured.

Every Employee/Collaborator is required to fully cooperate, promptly providing, within the scope of his/her competence, true and accurate data and information; equally every Employee/Collaborator is required to communicate – according to the internal corporate procedures – all relevant information at his/her disposal about accounting records.

The financial statements and the company communications required by law must be drawn up clearly and represent in a correct and truthful way the financial situation and the assets of the Company.

All employees are required to promptly inform their Supervisors and/or the Supervisory Board about any omission, severe neglect or falsification of records and/or documentation on which accounting records are based.

All employees and collaborators must act with utmost transparency in their relation with the appointed Auditing Firm and with the Statutory Auditors, offering their full cooperation during the verification and control activities.

2.8. Conducts in company matters

Reports, communications and documents filed with the company registrar which are mandatory for the Company must be performed promptly by the persons required by law to do so; the documents must be true and must comply with the regulations in force.

All A.L.M.A.G. employees and collaborators are required to participate to the correct definition and to the efficient functioning of the control system, reporting any case of conflict of interest of the control function and spreading the principles promoted by such function.

It is expressly forbidden to prevent or hinder, by concealing documents or by any other eventual contrivance, the fulfillment of controls or audit activities legally performed by the Shareholders, other Company Bodies or Auditing Firm. In particular A.L.M.A.G. employees and collaborators are required to fully collaborate with the Auditing Firm and the Statutory Auditors during their control activities, acting honestly and fairly and providing them all necessary documents.

It is forbidden to adopt fake or fraudulent conducts aimed at determining the majority in the meeting.

It is forbidden to distribute profits or advances on profits not actually realized or destined to reserve, or distribute restricted reserves.

It is forbidden to fictitiously create or increase the capital of the Company, through issuing stocks or shares for amounts inferior to their nominal value, mutual subscription of stocks or shares, considerable overvaluation of goods, credits or assets of the Company in the event of a corporate restructuring.

Any operation that might cause harm to the Shareholders and Creditors is forbidden.

It is forbidden to initiate any operation, real or simulated, that might alter the correct demand and supply of financial instruments or that might bring unjust benefit from the circulation of untrue information.

2.9. Conducts on the subject of anti-money laundering

The Company condemns any activity involving the laundering (i.e. receipt or handling) of proceeds from criminal activities in any form or manner.

To this end, its Management, Employees and Sub-contract workers are required to respect and apply both Italian and EU money laundering laws, and are invited to report any situation that might constitute an offence of this nature to the competent Authorities.

In particular the top management and those who carry out their activities in risky areas must ensure the compliance with the laws and regulations in force in every geographic region and operating environment, with regard to the measures to limit the use of cash and bearer instruments in transactions.

It is forbidden to transfer cash or bearer instruments when the value of the operation, even if fractionated, is altogether equal to or higher than the legal limit.

The knowledge of the customers is a fundamental condition to prevent the use of the manufacturing -financial system of the Company for purposes of money laundering, as well to assess potential suspicious operations.

In any event, it is forbidden to trade with entities (natural and legal persons) that are known, or only suspected, to belong to criminal organizations, or to operate outside the law in any way, such as, but not limited to, individuals operating in or linked to the field of organized crime, money laundering, drug trafficking, loan-sharking.

The Company intends to protect itself from the risk of buying materials deriving from criminal activities.

It is expressly forbidden to proceed with an attestation of regularity while receiving goods/services without a thorough assessment of conformity in relation with the good/service received and to proceed with the payment authorization of goods/services without an assessment of the conformity of the supply/performance with the contractual terms.

It is mandatory to follow transparency criteria when carrying out corporate duties and choosing the Supplier, with particular attention to the information about third parties that have financial or commercial relations with the Company when there is even a suspect of the occurrence of an offence of Self-laundering.

In any event, paying fees to external Consultants which are not adequately justified in relation to the type of service performed or to be performed is prohibited.

2.10. Conducts on IT management issues

IT systems users are not allowed to:

- intercept third parties communications and information by computer systems;
- damage in any way information, data and computer programs, including those used by the State or another public entity or in any case of public utility;
- damage in any way information, data and computer programs of computer and telecommunications systems, including those used by the State or another public entity or in any case of public utility;
- gain unauthorized access to an information or computer system;
- unlawfully disclose access codes to information and media systems.

The Company forbids the possession, reproduction, promotion, distribution and sale of copies of software protected by intellectual property laws without the authorization of the property rights holder.

2.11. Conducts on the subject of copyright, intellectual and industrial property

The Company observes all regulations on copyright, trademarks, patents and other distinctive marks.

In particular the Company does not allow the use of intellectual works without the S.I.A.E. ("Italian Society of Authors and Publishers") mark or with an altered or counterfeit mark; the Company also forbids the reproduction of programs for developing databases contents, as well as the appropriation and distribution, of any kind, of works protected by copyright and the disclosure of their contents before they are made public.

The Company does not allow the use, for any reason or purpose, of products bearing counterfeit marks or signs.

The Company equally forbids – except when envisaged by the law or under an agreement with a legitimate party – the manufacturing or marketing or any activity that infringe third parties' patents.

The Company condemns and forbids:

- the publication of a third party intellectual work, or part of it, without his/her consent, or by usurping the authorship of the work, or through deformation, mutilation, or other modification of the same work, or anything that might harm the honor or the reputation of the author
- the duplication, import, distribution, sale, possession for commercial and/or business purposes or the rental of programs protected by copyright laws;
- the duplication, reproduction, transmission or public circulation, by any means, of all or part of intellectual properties developed for television or movie theater use;
- the duplication, reproduction, transmission or unauthorized public circulation, by any means, of all or part of literary, dramatic, scientific or educational, musical, or dramatic-musical works, or multimedia;
- the import, possession for sale, distribution, sale, rental, transfer for any reason, commercial marketing, installation of devices or special decoding elements that give access to an encrypted service without paying the required fee;
- the sale, import, promotion, installation, modification, for public or private use for public of devices or parts of decoding devices for decoding audiovisual transmissions with restricted access broadcast, via airwaves, satellite, cable, both in analog or digital form;
- the sale of goods or products which are different in origin, quality or quantity from those declared or agreed on;
- the sale or distribution of industrial products with names, trademarks or distinctive national or foreign signs, with the aim of misleading the buyer on the origin, source or quality of the work or product;
- the manufacturing or the industrial use of objects or other goods usurping or in violation of industrial property rights (if aware of the existence of the industrial property titles) and, in particular, the use of information or data protected by industrial property rights belonging to the customer or to third parties, without their specific authorization;
- the production or introduction into National territory for commercial purposes (in violation of the legitimate owner rights) of intellectual works or industrial products with counterfeit national or foreign trademarks or distinctive signs;
- the production or introduction into National territory for commercial purposes of intellectual works or industrial products by usurping designs or models, national or foreign, or by counterfeiting or altering those designs and models.

The Company, in carrying out its business activities, is committed to avoid all contacts with individuals who deal with criminal organizations, and to know its business partners and suppliers, verifying their professional and commercial reputation and credibility.

2.12. Conducts on the subject of counterfeiting currency

The Company condemns any activity involving counterfeiting, forgery, alteration of and/or the use of counterfeit, forged or altered money, credit cards, duty stamps.

To this end, its Management, Employees and Sub-contract workers are required to respect and apply both Italian and EU legislation, and also to keep watch to prevent the possession and use thereof, even in good faith, and are invited to report any situation that might be linked to offences of this nature to the competent Authorities.

2.13. Conducts towards foreign workers

It is forbidden to hire or in any case employ – also through temporary work agencies – foreign workers without a valid residence permit as required by the law, or foreign workers whose residence permit has expired and no request for a renewal has been made in accordance with the terms of the law, or whose permit has been cancelled or revoked.

Every foreign worker, required to be in possession of a residence permit or other document in compliance with current laws, undertakes to give a copy of such document at the time of recruitment, to apply to the competent offices for the renewal with a reasonable period of advance and to communicate to the Company such renewal and the new expiration date of his/her document, or, otherwise, the non-renewal, revocation or cancellation of his/her residence permit.

The Company monitors the residence permits of its foreign workers and the relative expiration dates and any possible change (revocation, cancellation or non-renewal).

2.14. Conflict of interest

Any situation that might constitute or arise a potential conflict of interest must be promptly reported to the Supervisory Board (“OdV”).

Every employee must also notify his/her direct supervisor, in writing, if he or she continuously works with a company not belonging to the group Holding Umberto Gnutti or if he or she has a financial, commercial, professional, familiar or social relation with a Company’s partner, customer or supplier that may influence his/her own judgment and impartiality. If the report to the direct supervisor remains unresolved or if the report is about the supervisor’s conducts, the report shall be made to the Supervisory Board.

2.14.1 Working relations

A.L.M.A.G. employees and collaborators cannot work for or receive payments from A.L.M.A.G. commercial partners, customers and suppliers, without the prior approval of the Company.

Every work activity external to A.L.M.A.G. must be kept strictly separated from the Company and cannot have a negative impact on A.L.M.A.G. activities.

2.14.2 Family relations

A.L.M.A.G. managers, employees and collaborators shall refrain from using their influence in order to procure commercial opportunities, advantages or favors for A.L.M.A.G. coming from companies or from Public Offices where their relatives work.

2.14.3 Investments

The investments of the Company’s managers, employees and collaborators shall not influence A.L.M.A.G. judgment and impartiality.

The Company's managers, employees and collaborators cannot gain any financial advantage, direct or indirect, from using confidential information of which they may become aware in the course of their work duties.

2.14.4 Gifts

A.L.M.A.G. managers, employees and collaborators, while performing their tasks, shall not request or accept to/from any person or company any gift, benefit or favor that go beyond the common courtesy usually associated with business practices.

Under no circumstances the Company's managers, employees and collaborators can accept money.

When refusing a gift may be impossible or particularly rude, it is necessary to consult with the Supervisory Board.

A.L.M.A.G. managers and employees can offer gifts only in compliance with the company's procedures. The reciprocation of gifts cannot in any way compromise the Company's integrity and reputation and it should not be made as a way of obtaining improper advantages.

3. Efficiency of the Code and consequences in the event of violation

3.1. Compliance with the code and reports of violation

The Supervisory Board has the task to assess the practical suitability of the Section2_Conducts 231, and to monitor the compliance and implementation of its provisions.

All Employees and Sub-contract workers shall report any violation or alleged violation of the Section2_Conducts 231 to his/her direct supervisor; if the report to the direct supervisor remains unresolved or if the report is about the supervisor's conducts, the report shall be made to the Supervisory Board.

The Supervisory Board shall promptly evaluate all reports received with utmost attention, and, if it is ascertained that the report is valid, refer the case to the competent company function in order to apply any disciplinary sanctions or to activate contractual cancellation procedures.

The Supervisory Board has the authority, if needed, to summon the party responsible for the report and the other parties involved, if any, also in consultation with the top management of the Company (Chairman of the Board of Directors).

Reports for the Supervisory Board (OdV) must be sent in writing by using one of the following methods:

- a letter addressed to the OdV of A.L.M.A.G. S.p.A., at the registered office of the Company, in Roncadelle (BS), Via Vittorio Emanuele II n°39
- email addressed to odv.231@almag.it.

With reference to any, actual or attempted, reported violation of the provisions contained in this Code, A.L.M.A.G. shall ensure that no one is exposed to any retaliation, illicit conditioning, discomfort, or discrimination of any kind on the workplace, as a consequence of informing the Supervisory Board about the violation of this Code contents or internal procedures.

Any form of retaliation against parties who have, in good faith, reported possible violations of the Code also constitutes a violation of the Code of Ethics. Additionally, the conduct of persons who accuse other employees of violation, in the awareness that such violations do not exist, will be considered a violation of the Code of Ethics.

3.2. Sanctions

The violation of the provisions established in Section2_Conducts 231 and of corporate procedures jeopardizes the relationship of trust between the Company and any person who committed the violation (Recipients).

The violations, once they are ascertained, will be decisively prosecuted in a timely and immediate manner, through - in compliance with the provisions of the existing laws - suitable and proportional disciplinary measures, regardless of the possible criminal nature of the conduct and the initiation of criminal proceedings in the cases where this constitutes a crime.

The disciplinary measures for violations of this Code are adopted in compliance with the laws in force, with the relative national labor contracts and the company's contracts. Such measures might also entail the removal of those responsible from the Company.

For those recipients who do not have a subordinate employment contract with the Company, the violations of this Code will be sanctioned with civil remedies provided for by law.

3.3. Circulation of this code

In order to ensure the correct comprehension of this Code, A.L.M.A.G. has prepared an information program that guarantees its complete circulation and clarification.

In particular, this Code shall be brought to the attention of corporate Bodies, work partners, Employees, Sub-contract workers, commercial Partners and the Consortiums, which the Company adheres to for commercial purposes.

The Company must also consider the opportunity to disclose this Code to its Suppliers/Consultants or any other third party that has a business relation with the Company or may act on behalf of the Company.

The Code has been posted with adequate prominence on the Company's website.

Any update or modification of the Code is established and approved by the Board of Directors of the Company, after consulting the Supervisory Board.

4. REFERENCES

- Legislative Decree June 8th, 2001 n.231 and subsequent updates
- Confindustria Guidelines for the drawing up of Organization Models pursuant to the Leg. Decree n. 231/2001 – March 2014 edition
- Guidelines for the drawing up of organization, management and control models in compliance with Leg. Decree no. 231/01 in the Foundry Industry (November 10th, 2015 ASSOFOND – Italian National Foundry Association)
- Consolidated Safety Act (Legislative Decree 81/08)