



Worldwide Supplier of Bonfiglioli spare parts

ETHICAL CODE OF CONDUCT

(Organizational Model n. 231)

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Vision, Mission, Values

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Front matter

B.R.T. S.p.a. (hereinafter called BRT or the Company) is the worldwide supplier company of all Bonfiglioli Group spare parts, ensuring an accurate high service level, especially in the solution of customers application problems.

Original spare parts are available in 24 hrs throughout Italy and Europe, thanks to our organizational skills and to a careful management of stock that keeps available a significant amount of parts (more than 10,000 items) in our warehouse.

Thanks to its strategic geographical location, BRT is able to optimize the delivery of critical spare parts in order to always keep a high-level quality service for all Bonfiglioli products. Special software applications efficiently manage the flows and the availability of the items, always keeping a safety stock capable to meet even the most unexpected requests from market in terms of quantity and quality.

B.R.T. is an example of Company devoted to after-sales, this is one of our keystones on which we base our ability of satisfying Bonfiglioli customers.

With this Ethical Code of Conduct, BRT aims to set up a system that wants to establish ethical behavior attitudes, as described here, which are essential for the values of fairness, responsibility and seriousness that marked the success of our history.

Good relationships establishment among Colleagues, Customers, Suppliers, Establishments, and Partners carrying out our activities is the modus operandi of those who collaborate with our company.

The set of ethical values to which this Code is based on is a guarantee for the preservation of respectability and integrity of the economic and human assets, which exploit in many ways the image of our company.

The present Ethical Code of Conduct has been adopted in accordance with the principles established by Legislative Decree no. 231/01; it is an integral part of our Organizational Model, Management and Control, and it also performs a preventive function of administrative liability resulting from a crime, as provided and governed by the above mentioned Decree.

Vision / Mission

After-sales service. Bonfiglioli Group spare parts supplier

Values

Consistency. Determination. Transparency. Team spirit.

1 - Beneficiaries and Control Bodies

1.1 Beneficiaries

The recipients governed by this Ethical Code of Conduct include all Boards of Directors, Boards of Statutory Auditors, Shareholders, Auditors, Managers, Employees, Contractors, Consultants, Suppliers, Customers, Partners, Contractual counterparts of B.R.T. and all persons and organizations keeping business relationships, even temporarily, with B.R.T in the pursuit of common objectives.

Each of the above recipients, as a beneficiary of this Code of Conduct is required to familiarize with this Code and its relevant principles, in order to actively contribute to its implementation in all its parts and reporting to the Supervisory Board any violation of the ethical principles contained herein.

1.2 Control Bodies

Given the findings of Risk Analysis carried out in the company pursuant of Legislative Law n. 231/01, also considering size and characteristics of this company, in compliance with the requirements of Art . 6 c . IV , and 7 of that Decree, BRT has decided to entrust the Board of Directors as supervising responsible for the compliance with the adopted Organizational Model (MO) and its regular updates.



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In exercising this function, the Governing Body will draw on the assistance of Company internal Quality Dept. in compliance with protocols and procedures.

We will indicate, hereinafter, the references for reporting:

- Any potential or occurring violations of this Code of Conduct;
- Any request of clarification about the understanding or the conformity of behaviors to this Code

Controlling Body:

BRT spa

Via Castagnini, 2-4 (ZI Bargellino)

40012 Calderara di Reno (BO) - IT

email: gabriele.bongiovanni@bonfiglioli.com

In any case, the control body shall ensure that the person making any kind of notice, if identified or identifiable, is not the subject of retaliation, discrimination or other consequences, ensuring the privacy in conformity with laws.

2 - Main Ethical Principles

2.1 General Business Management

The behavior in the conduct of business by the Beneficiaries shall be directed with the utmost fairness, transparency, comprehensibility and respect for Laws, so that anyone who deals with BRT is capable of taking its own decision conscious of its own interest.

Trade relationships should be consistent with the company's guidelines and Mission, visible and interpretable by all Recipients.

Misreading or personal interpretations of the rules of this Ethical Code of Conduct in business relationships are not allowed.

2.2 Conflict of interests

Activities that involve conflict of interests that might interfere with the ability of taking impartial decisions at the expense of the interests of BRT must be avoided.

In a situation of conflict of interest, even potential, the Recipient must report it to his superior, abstaining by taking any action.

In all relationships with BRT, Recipients must act within Law and Ethical values, with absolute prohibition to recourse to favoritisms, corruption or collusive practices in order to obtain advantages for themselves or for others.

2.3 Diversities respect

BRT does not tolerate unequal treatments, according to sex, religious belief or different culture because each individual is measured in relation to his actions, his role and his tasks only.

All those who interact with BRT must keep a behavior that is shared and respectful of civil society, in compliance with the principles of this Code of Conduct.

2.4 Inhibition of child labor

BRT prevents the exploitation of child labor in all its assembly facilities expressly prohibiting the use of workers under the Italian working age by Laws and by regulations of the place where the service is delivered.

The company also prohibits the Recipients to establish business relationships with suppliers that employ minors under that age and against the Laws of the place where the service is delivered.

3 - Ethical Principles against third parties

3.1 Relationships with Public Establishments

Company functions expressly delegated or provided with specific powers are authorized to represent BRT in relation with both Italian or foreign institutional partners for Business purposes.

These business relationships must be based on principles of fairness and transparency and in harmony with Laws and to this Code of Conduct, in order to avoid any possible conflict of interests.

Transparency and fairness in the management of business relationships with Italian or foreign public institutions aim to ensure there are no situations in which collaborators of both companies might directly or indirectly promise or offer money or may give any other benefit to members of the Authority institutions in order to obtain profits or paybacks for themselves or for the Subjects who work with this company.

3.2 Relationships with Mass Media

Relationships with Mass - Media are critical to convey to public opinion facts, data or activities that characterize the BRT daily work.

Given the delicacy of these relationships, these must be entertained by those who are responsible and expressly delegated to this task only, or entertained directly by the Control Bodies.

Beneficiaries who, in part of their work and in the name and on behalf of the company, are reported to have relations with mass-media, must be expressly authorized in advance by their supervisors on the content of their interventions.

Information transmitted outside the company must be complete, consistent, straight and transparent.

3.3 Customers & Suppliers Relationships

The goal BRT continuously tends to is the satisfaction of customers' needs and requirements.

This represent the real treasure of the company: this awareness imposes the search for excellence in interactions with customers, which can only be achieved through respect of ethical values and business procedures.

Suppliers are important Partners for BRT and must preserve relationships based on principles of fairness and loyalty.

Suppliers must therefore be identified according to objective parameters that take into account the expertise, the relationship between quality of goods and / or services offered, equality of prices, support levels and a shared business goals and expectations.

Contracts signed with suppliers must be based on extreme clarity and transparency, avoiding constraints that may result in excessive form of abuse and / or dependence.

BRT does not admit that its Collaborators provide to or receive from its suppliers gifts of any kind that may in some way affect the transparency and the integrity of business relationships.

BRT reserves the rights to verify that all its suppliers operates in accordance within Laws and this Code of Conduct.

3.4 Competitors Relationships

BRT believes a modern, free market can be considered as such only if there is an appreciable degree of fair competition.

Competitors are part of the complex variables that a company must contemplate when taking decisions and choosing its strategies for its future development. Therefore, these aspects must be always guided by the principles of this Code of Conduct.

Integrity, fairness, transparency and compliance with Laws and dynamic competition are the elements that distinguish the actions of our Commercial Department.

BRT is committed to the principles of fair competition protected by National and European Laws and will not create trade relationships with suppliers that could influence the free competition in the market in which we operate.

BRT does not need confidential information of Competitors to be successful. We must, therefore, never ask our employees to disclose information about their former employers, clients or business partners if such disclosure could violate the confidentiality obligations and fairness rules.

4 - Ethical Principles in Corporate Governance

4.1 Treatment of confidential information

Confidential information about data, strategies and business goals must be learnt and disclosed by responsible persons expressly delegated to this task only.

Confidential information are those related to products, their development, production processes, strategies, commercial conditions, customers, partnerships, industrial and financial operations know - how, operating results, investments, projects and technical data, marketing plans, supplier lists and purchase prices, logistics, ICT solutions and whatever else is part of the knowledge heritage of BRT business development.

Confidential information and materials that Recipients may use as part of their work are exclusive properties of BRT, who protects confidentiality of its origin.

BRT is committed to protect the information about Recipients preventing misuses, always in compliance with the requirements imposed by Privacy Laws.

4.2 Stakeholders relationships

The widespread presence of our company on the domestic and international markets, operations in different contexts and the multiplicity of third parties require transparency and fairness in the management of relationships with stakeholders which are all public and private establishments, Italian and foreign ones, individuals, groups, companies, institutions that have, for whatever reasons, contacts with BRT and / or have an interest in the activities that our society puts in place.

BRT aims its conduct in strict compliance with Italian laws and in the countries in which the company is active and compliant with market rules and principles of fair competition.

4.3 Statement of account and general management

All activities and actions carried out under the working skills of each Recipient must be provable. Anyone should strive for maximum transparency of accounts, based on fairness and documents reliability in accounting records. Each recording operation, the different degrees of responsibility of those who have acted upon it to achieve the goals that have made it necessary, must be easily reconstructed.

In accordance with the principles of accounting clearness and transparency, BRT is attentive to draw up financial fiscal statements and accounting reports in accordance with precision and accuracy and in compliance with Laws concerning accounting data treatment.

Everyone involved in the creation of budget data, including administrative bodies, should act transparently and truthfully and data must represent the economic and the financial situation of the company and these people must be able to provide the vigilance and control authorities with complete, accurate and correct information on balance sheets data.

4.4 Quality protection and Company reputation

Quality and efficiency of the business, as well as the good reputation of the company, are an inestimable heritage based on years of activity in the name of transparency and honesty.

Therefore, any conduct not complying with the ethical values of this Code of Conduct may affect the image and the good reputation of BRT, gained in Italy and abroad.

Thus, with his behavior any Recipient of this code is asked to contribute to the preservation of the company's reputation both in the workplace and in the society.

4.5 Corporate assets guard

Every Recipient of this Code of Conduct is directly and personally responsible for the care, protection, efficient, proper preservation and use of assets, both tangible and intangible, assigned to him by the company for his tasks, properly conform to the company interests.

Company Assets, whether tangible or intangible properties, entrusted to Beneficiaries to carry out professional tasks, could not be used for unauthorized personal purposes. Moreover activities not included in their own responsibilities are also prohibited, if carried out during working hours.

It is expressly forbidden to use computer resources for purposes other than those permitted by the policies of company security or for engaging illegal conducts.

It is forbidden in particular:

- any illegal use of ICT software & hardware;
- any detention of pass codes when not expressly authorized;
- to spread equipment's, devices or programs aimed at damaging or interrupting computer or telematics system;
- any illegal interception, prevention or interruption of computer or electronic communications;
- to damage information, data and computer programs or electronic devices.

It is also forbidden the use of software not expressly authorized or illegally obtained.

BRT guarantees the respect for intellectual property through the express prohibition of the use of these resources, without a prior formal written authorization.

4.6 Anti-money laundering

Every Beneficiary of this Code of Conduct, when doing business, ensures that commercial transactions are carried out in full transparency, fairness and good faith, in order to fight the phenomena of money laundering.

In particular relevant departments ensure that:

- cash payments and receipts are never allowed;
- commercial and professional reliability checks of partners and suppliers must be carried out through appropriate *due diligence*;
- joint ventures and other commercial agreements must be carried out in total transparency;
- tasks linked to any other company and / or individuals that treat economic / financial interests of the company must be always in written form, always indicating contents and economic conditions as agreed;
- intercompany financial flows must constantly be kept monitored;
- payments are always monitored and verified in order to check the correspondence between the person to whom the order is payable and the person who actually receives the payment.

5 - Ethical principles in staff relationships

5.1 Human Resources management Impartiality

BRT recognizes the own distinctive values, capabilities and potentiality of each employee. Workforces are considered a competitive resource and for this reason the company offers a work environment that fosters the conditions for both personal and professional development.



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BRT has the duty to ensure fairness and equity in the recruitment, training and management of human resources, offering equal employment opportunities to all employees by prohibiting conducts that may appear discriminating against other people.

In particular, personnel selection is carried out exclusively on the basis of skills and professional abilities of the candidates, having regards to the roles that the company needs to cover. In this view, BRT will make its selection in full respect of the principle of equal opportunities, without discrimination and avoiding any form of favoritism and unfair competition.

5.2 Health Protection & Safety in working environment

BRT believes it is highly important to spread the safety culture.

The company pursues the reduction of physical integrity risks for all of its employees, using informative documents and training as means of empowerment, ensuring health protection and safety in the workplace in accordance with requirements and Laws.

BRT is committed to respect and maintain the working environment absolutely compatible to the protection of the employees health, trying not to create conditions of discomfort even psychological, contrasting any discriminatory attitude or persecution. The responsible authorities constantly monitor the working conditions for keeping an optimum level, in compliance with Laws, adopting all the instruments and controls necessary for achieving this goal.

BRT undertakes to conduct appropriate training and information on safety and health, in order to develop in their employees and contractors awareness of all risks associated with work, promoting responsible behaviors for everybody.

Recipients shall in particular:

- take care of health and safety for everybody and for other people in the company who might suffer for the effects of their actions or omissions according to the training, instructions and equipment provided by the employer;
- contribute, along with the employer and managers to pursuit the fulfillment of obligations under occupational health and safety in the workplace;
- follow provisions and instructions given by the employer, managers and supervisors at the purpose of collective and individual safety;
- correct use work equipment's, dangerous substances and means of transport as well as the safety devices;
- proper use of protective equipment's;
- take care of personal protective equipment's without modifying them by own initiative and immediately report any defects or drawbacks to the employer or managers or supervisors;
- immediately report any unsafe condition of which they become aware.

Integrity of human resources is a core value for BRT : persecutions and / or attitudes, both explicit and suggestive, that may disturb the least sensitivity, undermining the dignity, the respect and the integrity, both physical and psychological of human resources, are not tolerated

5.3 Alcohol and drugs

To ensure safety in our workplaces drugs and alcohol are not allowed. Possess or illegal drugs use, alcohol assumption at work or using treatments without proper medical prescription may create potential dangers. These behaviors are strictly prohibited and subject to disciplinary actions.

5.4 Environmental protection

BRT invests in activities valuing natural resources with a constant attention in preserving the environment. Environmental policy is based on an awareness that involves all employees, starting with simple behaviors, but very useful, such as recycling certain materials (toners , battery , paper , plastics , etc.) that focuses the attention on energy saving.



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Recipients of this Code of Ethics are required to develop a full understanding on the issues of global sustainable development and conservation of bio - diversity and to take initiatives to protect the environment in their daily lives, at work and in the society and should collaborate in actions and projects leading to protect environment.

Recipients must also :

- fulfill obligations provided for the protection of the environment as per laws;
- always evaluate the effects of own conduct in relation to the risks of negative environment effects;
- never engage behaviors that could be harmful for environment, in accordance with their specific training and experience, as well as instructions or equipment's provided;
- adopt measures to prevent the production and the reducing of harmful wastes;
- ensure the protection of soil and subsoil, of atmosphere, of land preservation and protection of surface, oceanic and underground waters.

6 - Ethical Code of Conduct amendments

The present Code of Conduct is adopted by resolution of the Board of Directors dated 1st. December 2015 with immediate effect from that date. The company is committed to bring the attention of all its Collaborators on principles of the Code of Conduct using effective and suitable communication channels. Every update, amendment or addition to this Code is a guarantee of its effectiveness and denotes its reaction to changes of the context in which BRT has a leading position. Updates and / or amendments, that may become necessary, must be approved by CEO. General Management authority must verify the effectiveness of this Code of Conduct and reports to CEO the necessity of amendments.

7 - Ethical Code of Conduct Violations and penalty system

This Ethical Code of Conduct is an integral part of any business agreement and binds the company with all its Beneficiaries. Violation or non-application, even partial, of any part of this Code by Beneficiaries constitute a breach in contracts; for employees it is a disciplinary transgression, resulting in the adoption, in the latter case, of disciplinary sanctions proportionated to the severity of the faulty behavior, and, in some cases, also may result in a claim for damages, both material and/or of company reputation, but always in compliance with Labor Contracts, Article . 7 of Law 20 May 1970 n . 300 , as well as other additional later Laws. The non-application of all or part of this Code of Conduct by external Recipients (Consultants , Suppliers , Partners etc .) constitutes reasons for partnership conclusion.