



Code of Conduct Bottaro Mario srl

January 2016 Edition

**The Code of Conduct was enforced
by formal approval of
Bottaro Mario s.r.l.'s Board of Directors
on 26th January 2016**

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INTRODUCTION

The present Code of Conduct (hereafter referred to as “The Code” was enforced by Bottaro Mario s.r.l. (hereafter referred to as “Bottaro” or “the Company”), by formal approval of the Board of Directors on 26th January 2016. The Code identifies and expresses the ethical principles and values of Bottaro Mario srl that must influence all conduct and behaviour beyond rules and regulations, of all those that work with or for the company, whether within or outside the company organization as - for example - employees, external consultants, agents, business partners, public administration or public employees.

The Code represents also the measures the Company intends to implement under an ethical-behaviour profile, in order to comply with the necessary requirement of the Law D.Lgs no. 231/2001 and provide rules of conduct within the company and outside it, to be followed in order to achieve the company's objectives.

Bottaro Mario Srl states herewith its decision to define the company's ethical principles to face the challenges that modern markets imply.

FOREWORD

Bottaro Mario srl is a company operating in the iron and steel production and related operations, in a national and international context. The company is the absolute field leader in Italy and one of the major producers of black annealed iron wire in Europe.

In order to achieve the maximum possible result, it is vital that competition is carried out abiding by the rules with transparency and clarity.

The company, since years in international competition, is respected by its customers as well as by other companies operating in the same field, due to its recognized professional attitude. This image must be consolidated and further implemented if possible, in order to meet the growing requirements of the markets. Therefore, one of the main issues the company intends to address regarding itself and all those that work with the company, internally or externally, is to maintain the high level of honesty and integrity, values that have always been present in the operative and commercial activities.

With the implementation of this Code of Conduct, the Company proposes to pursue the following objectives: the regulations here contained will in fact be subject to verification by the relevant office of the Company, in order to achieve that all company collaborators conduct themselves in accordance with the Code.

The Company will divulge the contents of this Code to everyone dealing with the Company.

The observance of the Code is entrusted indistinctly to all collaborators of Bottaro Mario srl and to all the companies representing it in the world.

■ 1. COMPANY VALUES

We believe that the following terms represent the values that inspire the management of our company, our company policy as well as daily operational decisions.

- Respect for others;
- Equality and impartiality;
- Ethical correct behaviour;
- Loyalty;
- Legality;
- Honesty and correctness, ethical conduct;
- Transparency;
- Confidential information and intellectual property;
- Respect for other's interests;
- Professionality;
- Correctness in relationships with public administration;
- Fair competition;
- Environment;
- Social responsibility;
- Individual and team work;
- Work-place safety and security.

1.1 CONFORMITY TO LAWS AND REGULATIONS

The present Ethical Code applies to all of the Company's activities, representing the point of reference for the regulations adopted by Bottaro.

The Company considers moral integrity not only a constant duty for all those that work with or for the Company, but also as representing a fundamental criteria for its own production and its own decisions regarding industrial development.

1.2 DISSEMINATION AND OBSERVANCE OF THE CODE OF CONDUCT

The Company – by means of dedicated functions and resources – cultivates and promotes the dissemination of this Code of Conduct and the corresponding updates, as well as the various duties such as attribution of responsibility, the composition of the Ethical Compliance Office, hierarchical organization, work descriptions and staff training, so that everyone who deals with the Company knows these company standards and understands their contents and their purpose. The Code will be distributed to the employees, affixed to the notice boards and published on the Company website.

The above mentioned personae, - directors, employees, collaborators, commercial and financial partners, clients and suppliers – are therefore required to know and to respect the contents of the Code and will thus contribute to its enforcement and implementation, and report possible flaws and violations that have come to their attention. The Company's staff can request assistance or clarification on the contents of the Code of Conduct on the conferred tasks from their superiors at any time.

■ 2. RULES AND STANDARDS OF BEHAVIOUR

2.1 DIGNITY, HEALTH, SAFETY AND EQUAL OPPORTUNITIES AT WORK

The Company safeguards dignity, health and safety at work by applying all the applicable existing statutory provisions.

The Company is committed to providing a healthy and safe place of work. The relative decisions are directed by the existing statutory provisions. Everyone must respect the rules concerning safety procedures. Every employee is obliged to report any of the following situations to his/her Health and Safety Manager immediately: an accident at the place of work, adoption of a hazardous procedure, any situation that is dangerous to the health or the environment during the work process.

The company is committed to offering and safeguarding equal work opportunities regardless of race, religion, opinion, nationality, sex, state of health, age, and social background in compliance with the Constitutional Convention of the Italian Republic.

2.2 SELECTION POLICY

In order to contribute to the development of the corporate objectives, assuring - at the same time - that these objectives are pursued by everyone in compliance with the ethical principles and values which influence Bottaro Mario srl, the company upholds a direct policy to select each employee, consultant and collaborator in various capacities on the basis of their own values and characteristics specified above in point 2.1.

2.3 PROFESSIONAL DEVELOPMENT

In particular, the Company ensures staff training (technical, professional and personal) for employees, consultants and collaborators in order for them to increase their professional qualities with respect to the values aforementioned.

This result is pursued by adopting a company policy based on merit and equal opportunities and specific programmes intended to enhance professional aptitude and technical expertise.

Teamwork must be promoted and stimulated.

Personal interests must not be put ahead of the objectives of the group.

2.4 PRINCIPLES OF CONDUCT BETWEEN COMPANY AND COLLABORATORS

The sales agents, distributors, representatives, consultants and temporary workers, as well as external suppliers, are obliged to observe the same standards of conduct as the Company's employees when conducting business with or on behalf of the Company. The sales agents of Bottaro Mario Srl are required to maintain and protect the image of seriousness, respectability and fairness of the Company. Furthermore, it is forbidden for sales agents to carry out acts of competition with companies to market products competing with those of Bottaro Mario Srl on their own or through a third party. The moral integrity and honesty required of Bottaro Mario Srl sales agents must be visible in the sales process by presenting commercial offers in the correct manner and without false promises or undue pressure on the customer. The use of the name and prestige of Bottaro Mario Srl is strictly forbidden to former sales agents, distributors, representatives, consultants and external temporary workers after the termination of the relationship with the Company.

The costs incurred such as meals, travel and entertainment offered to third parties, will be modest in value and for justifiable commercial reasons, such as presentation of the Company's products, technical updates and training. All charges will be made in accordance with the laws in force and company policy.

2.5 QUALITY CONTROL

Bottaro Mario Srl has established and maintains a quality system that meets the needs of the Company and the laws and regulations in force. Each employee is responsible for the quality of his or her work, by applying the provisions relating to the quality system, and respecting the laws, regulations, principles, procedures and processes in place. Non-compliance with laws or regulations, the wilful refusal to comply with the quality standards, the principles, procedures or processes established by the Company will not be tolerated..

2.6 CONFIDENTIAL INFORMATION

As part of the obligations towards Bottaro Mario Srl, all recipients must safeguard the confidential information of the Company and use it only within the Company and in the exclusive interest of the same. The term "confidential information" means information relating to both current and planned activities of the Company that has not been made public and which, if made public or used improperly, could bring economic benefits to third parties with undue damage to the Company. All confidential information is property of the Company (and/or its licensors of the use of intellectual property) and should not be used if not for the pursuit of social interest. Even after the termination of employment it is prohibited to communicate confidential information to a new employer or third parties. Failure to comply with this obligation of confidentiality is a matter of grave responsibility for the defaulting party. In addition to protecting its own confidential information, Bottaro Mario Srl is committed to respecting others' confidential information. If recipients were unintentionally become aware of confidential information, or the disclosure by persons bound to secrecy, they are obliged to consult the E.C.O.

2.7 PERSONAL COMPUTER AND MEANS OF COMMUNICATION

Every recipient must take the necessary measures to ensure the security of their own computer and any voicemail or password.

Company assets should not be employed for illegal purposes, or to disturb or be used offensively by others. The use of these means should not have a negative impact on the Company and in no way should damage its reputation. The use of the computer and the media must be in line with company policies, privacy, copyrights, trademarks, trade secrets and other intellectual property considerations.

2.8 PRIVACY

The Company is sensitive to the privacy of the beneficiaries, which is protected by adopting the most appropriate precautions and security measures with regard to the processing of personal and/or sensitive data collected - from time to time - from the beneficiaries. Whenever significant activities are deemed non-compliant with privacy regulations or policies adopted by the Company, or do not comply with safety standards, they must be immediately reported to a supervisor, the person responsible for the processing of personal data, or the E.C.O.

2.9 USE AND PROTECTION OF COMPANY ASSETS

Every employee has a duty to safeguard the tangible and intangible assets of Bottaro Mario Srl. All employees of the Company must take reasonable steps in order to prevent loss, damage, misuse or theft of company assets. All Company assets should be used for the Company and not for personal gain. Necessary measures against theft, damage and misuse of Company assets must be taken. The benefits offered by the company are to be used only for business purposes.

2.10 USE OF DRUGS AND ALCOHOL

The Company maintains a work environment free from alcohol and drugs. Therefore, it is forbidden to show up at work under the influence of alcohol or (illegal)-drugs.

■ 3. CONFLICTS OF INTERESTS

3.1 COMPANY AND INDIVIDUAL INTERESTS

Bottaro Mario srl trusts its employees, consultants and collaborators to use the assets of the Company and their professional capabilities for the Company's interests in accordance with the principles set out in this Code. In this perspective, the directors, employees and collaborators in various capacities of Bottaro Mario srl must refrain from any situation and/or activity that could cause a conflict of personal interest with the Company or that may interfere negatively in the ability to take impartial and objective decisions in the interest of the company.

3.2 PREVENTION OF CONFLICTS OF INTEREST

In order to avoid conflicts of interest -also potential cases -Bottaro requires all managers, employees and collaborators to be free of any conflicts of interest between the individual and the company at the moment of receiving an assignment or commencing a job.

Anyone having knowledge of a situation concerning conflicts of interest is requested by Bottaro Mario Srl to notify the E.C.O. in a timely manner. The E.C.O. will ascertain that the Code of Conduct is complied with.

■ 4. CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY

Confidentiality of information is an important asset that Bottaro Mario srl protects through its employees.

All those who work in whatever capacity - on behalf of the Company, are required to maintain strict confidentiality, so avoiding to disclose or unduly request information - about documents, know-how, company operations and, in general, of all the information learned on the job. In particular, confidential information is understood to be, for example: technical information relating to products, procedures, new industrial applications, sales, mergers and acquisitions, purchasing programs, reports on revenue, news guarded by a specific secret.

Confidential information comprises all the news acquired while carrying out work activities, its disclosure and use might entail a danger or damage to the Company and / or an unfair economic advantage for those who operate in any capacity, on behalf of the Company.

■ 5. ACCOUNTING RECORDS

Accounts shall be kept in an accurate, complete and timely manner in accordance with company procedures provided in accounting, so that the same provide a faithful representation of the equity - financial and business management.

In this regard, all employees involved in any way in the preparation, updating and managing of accounting records should ensure maximum co-operation, in terms of completeness and clarity of information provided and accuracy of the data and processing.

Accounting records are all records that numerically represent business administration, including internal notes relating to the same.

6. EXTERNAL RELATIONSHIPS

6.1 RELATIONSHIPS WITH PUBLIC ADMINISTRATION AND OTHER ENTITIES REPRESENTING COLLECTIVE INTERESTS

6.1.1 RELATIONSHIPS WITH THE AUTHORITIES AND PUBLIC ADMINISTRATION

Relations pertaining to the activity carried out by the Company with public officials or people acting on behalf of public administration, central or peripheral, legislative bodies, the Community institutions, public organizations or any foreign State, must be based and managed in full and strict compliance with existing rules and principles set out in this Code, in order not to compromise the integrity and reputation of both parties.

Bottaro Mario srl is committed to paying great attention and care in dealing with the subjects mentioned above, and in particular, but not limited to the following: tenders, contracts, permits and concessions of any kind in relations with the supervisory authorities or other independent authorities, social security institutions, organizations involved in the collection of taxes, bankruptcy committees, civil, criminal or administrative bodies, etc.

6.1.2 RELATIONSHIPS WITH THE HEALTH AUTHORITIES

The Company undertakes, in order to ensure a healthy environment in which it operates, to conform its behaviour to the health legislation and / or environmental requirements.

In this regard, the Company confirms its commitment in accordance with the directives issued by the competent local and national health authorities; a transparent and cooperative relationship with the authorities in health is a guiding principle in the development of its industrial and commercial programs.

6.1.3 RELATIONSHIPS WITH POLITICAL ORGANISATIONS AND LABOUR UNIONS

Bottaro Mario Srl neither favours nor discriminates directly or indirectly against political or trade union associations.

In order to promote and encourage good relations with trade unions based on mutual respect and on an effective collaboration, Bottaro Mario Srl is committed to paying great attention to the advanced needs of employees and collaborators, contributing - in this way - to realize stable and balanced development of production, in the absence of conflict between management on the one hand and employees on the other.

6.1.4 GIFTS, BENEFITS AND FAVOURS

Bottaro Mario srl expressly forbids all those operating in their own interests, in their own name or on the Company's behalf to accept, offer or promise - even indirectly - money, gifts, goods, services, performance or undue favours, also in terms of employment opportunities, in their relations with public officials, in charge of public service or private entities, in order to influence their decisions in view of more favourable treatment or undue performance or for any other purpose. Not included in this paragraph are promotional gifts or gifts of modest value (eg. A bottle of wine or chocolates).

Any requests or offers of money or favours of any kind - including, for example, promotional gifts or gifts - wrongly formulated to those or by those acting on behalf of Bottaro Mario srl, in the relationship with the Public Administration or with private stakeholders, they should be immediately reported to the E.C.O. and the competent department for any consequent measures.

6.2 RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS

6.2.1 BUSINESS CONDUCT

A correct and transparent relationship with customers and suppliers is an important aspect of the success and image of the Company; therefore, the Company intends to uphold this conduct in the commercial relations it entertains, carrying out its activities with other business entities. In particular, the selection of suppliers and the acquisition of property, goods and services must be in accordance with the principles contained in this Code, executed in writing and in compliance with the Company's hierarchical structure.

In any case, the selection shall be made exclusively on the basis of objective parameters such as quality, convenience, price, capability and efficiency. In commercial transactions particular attention is required to the transaction of cash (coins and banknotes), securities and valuables in general, in order to avoid the risk of circulating counterfeited or altered monies.

6.2.2 BUSINESS COURTESIES

In business relationships with clients and suppliers it is forbidden to accept or to offer money, gifts, valuables, benefits (whether directly or indirectly), promotional gifts or render services or favours. If this should happen the next superior should be contacted immediately, who will inform the Board of Directors of the Company.

6.3 RELATIONSHIP WITH THE MEDIA

Only people authorized by our Corporate Communication Department may speak to the press and other means of communication and information. Any information request from the press or similar to Bottaro staff must be transmitted to the Communications Department before committing to reply.

7. AVAILABILITY AND ACCESS TO INFORMATION

In compliance with the established regulations, Bottaro will supply information, clarification, data and documents requested by the shareholders, clients, suppliers, public investigation, authorities, institutions and government agencies during the performance of their duties.

Every relevant company information must be divulged in a timely manner to the department in charge of supervising social management as well as to the public surveillance authorities.

8. FAIR COMPETITION

Bottaro Mario Srl considers competitors and free markets assets to be safeguarded and thus scrupulously respects the corresponding laws.

Agreements between companies and all situations that can have a distorting effect on competition, especially clauses of exclusivity, fixed prices and territorial restrictions are subjected to antitrust laws.

9. ETHICS AND COMPLIANCE OFFICE (E.C.O.)

9.1 FIELD OF RESPONSIBILITIES AND CHARACTERISTICS

The Ethics and Compliance Office (E.C.O.) has the duty to oversee the efficiency and compliance of the management regulations adopted by the Company in accordance with the law D.Lgs n. 231/2001. The E.C.O. is invested with initiative and control powers.

The E.C.O. acts autonomously, impartially, with authority, continuity, professionalism and has been invested with the following rights in order to carry out its controlling function:

- Liberty of access to all sources of information at Bottaro;
- Authorisation to view documents and data;
- Authority to suggest amendments to the Code, also in the view of information received by employees.
- Authority to carry out checks, also periodically, on whether the Code is being implemented and observed under the law D. Lgs. n. 231/2001;
- Allowance of an adequate amount of human resources and material to enable rapid and efficient work. The E.C.O. fulfils its obligation discreetly and with the unconditional support of the Management of Bottaro, with which it collaborates independently.

9.2 REPORTING VIOLATIONS TO THE E.C.O.

Since the purpose is to ensure the effectiveness of the organisations model, the Company – respecting the privacy and individual rights - makes available special channels of information, where all those that receive knowledge of possible illicit behaviour can report this without restraint directly and discreetly to the E.C.O.

This department is responsible for promptly investigating the reported violation in order to provide details to the person responsible in the Company for taking disciplinary action or taking the appropriate action to withdraw from a contract.

■ 10. THE CONTRACTUAL VALUE OF THE CODE

The Code is to be considered as a part of the contract of employment as per article 2104 of the Civil Code. Violation of these regulations therefore are considered a transgression and will as such be investigated and sanctioned according to the art.7 of the law L.300/1970 and as such the company will be entitled to indemnity for damages.

As for employees, consultants, business partners and third parties the signature and in any case the acceptance of the contents of the Code represents a *conditio sine qua non* at the moment of accepting any type of contract between the Company and any of the above persons; the rules adopted are an integral part of such contracts. Therefore, any violations to specific regulations of the code by third parties will authorize the Company to withdraw from any contracts with the violators, who can be named *ex ante* as cause according to the Article 1456 of the Civil Code.

■ 11. VIOLATION OF THE CODE - SANCTIONS

11.1 REPORTING VIOLATIONS

With the notification of a violation of the regulations of the Code that took place, was attempted or requested, the Company is responsible for assuring that no-one – at the place of work – will be subject to any kind of retaliation for having reported a violation to the Code to the E.C.O.

All reported violations of company policy will be promptly investigated and appropriate disciplinary measures will be taken.

11.2 GUIDELINES FOR THE SANCTIONS

The internal system of supervision must adopt measures and instruments to contrast potential risk to the company, in order to guarantee – with elevated probability – compliance with the laws.

In fact, violation of the principles established in the Code of Conduct compromises the relationship between the Company and its own administrators, employees, consultants, contributors of various types, customers, suppliers, financial and commercial partners.

Such violations shall be promptly investigated by the Company and dealt with by adopting adequate and proportional disciplinary measures, irrespective of whether the violations are punishable or not by law, or whether they turn out to be a criminal offense.

The effects of violating the Code must be seriously considered by all that deal with Mario Bottaro Srl, whatever their position. For this reason the Company ascertains that the Code is divulged and informs about the disciplinary measures foreseen in case of violation and the enforcement of such sanctions.

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