



Better care, better living!



CODE OF ETHICS

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FOREWORD

Ligabue has prepared this Code of Ethics in order to guarantee the integrity and constant compliance with ethical values of all employees, identifying clear and precise guidelines to ensure that the pursuit of common objectives, the success of Ligabue and the health of the organisation as a whole always take precedence over individual interests. The guidelines established in the Code of Ethics must be applied in all day-to-day activities. Ligabue therefore confirms that its internal and external activities must be based on the principles contained in the Code of Ethics, which is also a basic component of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001.

Ligabue¹ is an internationally oriented, industrial group. It is aware that it plays an important role for the market, the economic growth and well-being of those working or collaborating with it and the communities in which it operates.

The complexity of the situations in which it operates, sustainable growth challenges and the need to consider the interests of all its legitimate Stakeholders for its business interests, strengthens the need clearly to define the values and responsibilities that Ligabue recognises, accepts, shares and takes on, contributing to building a better future for everyone.

For that reason, we have prepared the new Ligabue Code of Ethics ("Code" or "Code of Ethics"). Complying with it for Ligabue directors, auditors, management and employees and all those operating in Italy and abroad to achieve the Ligabue objectives, each within his/her own function and responsibilities, is of fundamental importance.

The Recipients' compliance with it is of fundamental importance - also pursuant to and for the purposes of laws and agreements regulating the relationship with Ligabue - for its efficiency, reliability and reputation. Factors that are a decisive asset for company success and for improvement of the social context in which Ligabue operates

Ligabue undertakes to promote the Recipients' and other Stakeholders' knowledge of the Code of Ethics and their constructive contribution to its principles and contents. Ligabue undertakes to consider suggestions and observations coming from Stakeholders, to confirm or integrate the Code.

Ligabue carefully checks compliance with the Code, preparing adequate instruments and reporting, prevention and control procedures and guaranteeing the transparency of operations and conduct, taking corrective actions if needed.

The Code is made known to all those Ligabue has relations with and is also applied in activities carried out abroad by the Company and by the Group, also considering any existing regulatory, social, economic and cultural differences.

¹ "Ligabue" means Ligabue S.p.A. and its direct and indirect subsidiaries, in Italy and abroad

I. General principles: sustainability and company accountability

Respecting the law, regulations, provisions in the articles of association, ethical integrity and correctness are an ongoing commitment and duty for all Recipients and are how Ligabue behaves.

Ligabue's business and its activities must be carried out with transparency, diligence, honesty, mutual respect, correctness, good faith and responsibility, in full compliance with laws protecting competition, in order to protect the interests of stakeholders and ensure that the method of operation is efficient, reliable and correct and complies with current regulations and the ethical principles considered appropriate, necessary and essential to operating on the market, for activities performed in both Italy and in other countries, and also the ensuing relations with operators, enterprise and national and international institutions.

Ligabue undertakes to maintain and strengthen a governance system aligned with international best practices, able to manage the complexity of situations in which Ligabue operates and challenges to be faced for sustainable growth.

When developing both its international business activities and those in participation with partners, Ligabue is inspired by protecting and promoting human rights, an inalienable and essential prerogative of human beings; and the foundations for the construction of societies founded on principles of equality, solidarity, rejection of war and for the safeguarding of civil and political rights, social, economic and cultural rights and the so-called third generation ones (right to self-determination, peace, growth and environmental protection).

Any form of discrimination, corruption, exploitation of labour, illegal, forced or child labour is rejected. Special consideration is focused on acknowledging and safeguarding the dignity, freedom and equality of human beings, protecting work and trade union freedom, health, safety, the environment and biodiversity, and the values and principles of transparency, energy efficiency and sustainable growth, as stated by International Institutions and Conventions.

For that purpose, Ligabue operates within the reference framework of the United Nations Universal Declaration of Human Rights, the fundamental Conventions of the ILO MLC 2006 and the OECD Guidelines for Multi-national companies.

The actions and conduct of all Recipients, with no distinction or exception, conform with the principles and contents of the Code for their functions and responsibilities. They are well aware that complying with the Code is an essential part of the quality of their work and professional performance. Relations between the Recipients, at all levels, must be based on honesty, correctness, collaboration, loyalty, responsibility and mutual respect.

In no way may the conviction that one is acting for the advantage or interest of Ligabue justify, even partially, conduct that contrasts with the principles and contents of the Code.

II. Standards of conduct and relations with Stakeholders

1. Ethics, transparency, correctness, professionalism

In its business dealings, Ligabue is inspired by and respects the principles of loyalty, correctness, transparency, efficiency and openness to the market, with no difference made over the importance of the deal.

All actions, operations and negotiations carried out and, in general, the conduct of the Recipients of the Code of Ethics when carrying out their working activities are inspired by maximum correctness, completeness and transparency of information, formal and substantial legitimacy and clarity and truth of accounting documents, in compliance with current laws and internal procedures.

All Ligabue activities must be carried out with commitment and professional scrupulousness. Each person has a duty to provide adequate professional support for the functions and responsibilities assigned and to behave to protect Ligabue's prestige and reputation. Company objectives, the proposal and implementation of projects, investments and actions, must all be addressed at the long-term growth of the company's equity, management and know-how and at creation of value and well-being for all Stakeholders.

Corruption, illegitimate favours, collusive behaviour, requests, direct and/or through third parties, for personal and career advantages for self or others are forbidden, with no exceptions.

It is never permitted to give or offer, directly or indirectly, payments, material benefits and other advantages of any kind to third parties, government representatives, public officials, public or private employees, to influence or compensate a deed of their office.

Deeds of commercial courtesy, like gifts or forms of hospitality, are only permitted if worth a modest amount and cannot compromise the integrity or reputation of one of the parties; and cannot be interpreted, by an impartial observer, as being to acquire improper advantages. In any case, any type of expense must always be authorised by the function established by internal procedures and be adequately documented.

It is forbidden to accept money from entities or companies which have or intend to have business relations with Ligabue. Anyone who receives proposals of gifts or favourable treatment or hospitality that cannot be considered as an act of commercial courtesy of a modest value, or is asked to provide them by third parties, must refuse and inform his/her superior or the entity to which they belong immediately.

Ligabue adequately informs third parties about the commitments and obligations of the Code. It requires them to comply with principles relating directly to their activities and takes opportune internal and, if competent, external actions if third parties do not comply.

2. Correct reporting and management of accounts

Ligabue ensures that its managers, employees and collaborators are fully aware of the need to operate in accordance with the principles of truthful, complete and prompt reporting, both inside and outside the Company.

According to said principles, each operation or transaction must be correctly and promptly entered and recorded in the company accounting system, based on the criteria laid down by law and the applicable accounting standards; each operation or transaction must be authorised, verifiable, legitimate, correct and congruous. It is forbidden to behave in any way that could prejudice the transparency and traceability of balance sheet information.

3. Prevention of money laundering

In performance of their professional activities, Ligabue collaborators must not use, convert or conceal capital of illegal origin. The replacement or transfer or use of money, assets or other utilities originating from offences committed with criminal intent, or the performance of other operations, in relation to said assets, serving to conceal their criminal provenance, is a crime.

Before establishing relations or signing contracts with frequent suppliers or other business partners, the Group and its employees and/or collaborators must make sure of the moral integrity, reputation and good name of the other party.

Furthermore, it is expressly forbidden to accept payments in cash over the maximum threshold laid down by current regulations, and to carry out operations that are individually below the threshold, but have been deliberately divided to avoid said regulation.

4. Prevention of cyber crimes

It is forbidden to make improper use of the Company's IT assets that could result in conduct involving illegal access to a third-party IT or ITC system, the interception, impediment or interruption of cyber or digital communications, damage of private information, data and computer programs, or also those used by the State or by another public entity or of public utility, and damage of both public and private IT and ITC systems.

Furthermore, the possession and unlawful disclosure of access codes to IT or ITC systems, the distribution of IT equipment, devices or programs designed to damage or interrupt an IT or ITC system, and also the installation of equipment that intercepts, prevents or interrupts IT or ITC communications, is strictly forbidden.

5. Protection of intellectual property

In fulfilment of the principle of compliance with the law, Ligabue ensures compliance with internal, EU and international regulations on protection of industrial and intellectual property rights.

The Recipients promote the correct use, for any reason and in any form, of all original creative works, including computer programs and databases, protecting the financial and moral rights of the author.

6. Protection of image

The good reputation and/or image of Ligabue is an essential, intangible asset.

The Recipients undertake to act in compliance with the principles laid down by this Code in relations between colleagues, customers and third parties in general, maintaining a decorous demeanour in relations with third parties.

7. Protection of company assets

Each Recipient must safeguard and protect company assets, also using means to prevent undue appropriation, theft or fraud damaging the company.

Each of them must consider themselves as keeping and being responsible for Company assets (tangible and intangible) that are instrumental to the performance of their own activities.

In detail, each Recipient must undertake:

- in use of company assets, to adopt all procedures necessary to prevent their unauthorised use or theft;
- to avoid improper uses of company assets that could cause damage or reduction of efficiency or, in any case, are against the interest of Ligabue;
- to maintain the secrecy of confidential information concerning Ligabue, avoiding its disclosure to third parties;
- strictly to comply with the company security policies, to avoid compromising the functioning and protection of its IT systems;
- not to send threatening or insulting e-mails, not to use rude or unprofessional language, not to make inappropriate comments that could cause offence to the person and/or damage to the company image;
- to keep their own personal password and access code to the company databases and not disclose them to unauthorised third parties;
- not to reproduce company software for personal use, nor use the instruments provided for private purposes.

Each Recipient is responsible for protection of the resources assigned to them and must promptly inform their direct superiors of any potentially damaging events.

8. Relations with institutions, associations, local communities

Ligabue is committed to contributing to the development and well-being of the community in which it operates and promoting dialogue with institutions and with the organisation of civil society in all the countries in which it operates.

8.1 Public Authorities and Institutions

Through its personnel, Ligabue co-operates with authorities actively and in full.

Ligabue personnel, and external collaborators whose actions can be linked to Ligabue, must behave correctly, transparently and in a traceable manner in their relations with the Public Administration. Relations with the Public Administration must be maintained, in the name and/or on behalf of the Company, exclusively for competent functions and positions, in compliance with binding company regulations and any programs approved.

Subsidiary functions involved must coordinate with Ligabue Corporate for prior assessment of the quality of actions to be taken and to share actions; and to implement and monitor them.

It is forbidden to make, induce or favour false representations to the authorities.

Any form of gift, direct or through third parties, to representatives of institutions, their relatives or people close to them, that could influence their independent judgement or induce them to offer any benefit, is forbidden. It is specified that gift means any type of benefit (including, but not limited to, presents, favours, supply of services, dinners, promises to hire or any other form of undue giving or promising to give, etc.), irrespective of its value. Violation of these provisions is punished by law.

8.2 Political and trade union organisations

Ligabue does not make contributions, directly or indirectly, under any form, to parties, movements, committees and political and trade union organisations, to their representatives and candidates, in either Italy or abroad, unless established by specific laws.

The Group abstains from exerting any form of direct or indirect pressure on politicians or trade union representatives, through its managers, employees or collaborators.

For their part, directors, managers and employees must not perform political activity during working hours or use company assets or equipment for that purpose; they must also clarify that any political opinions they express to third parties are strictly personal and therefore do not represent the opinion and the position of Ligabue.

In relations with stakeholder associations (such as category associations, environmentalist organisations, etc.), no manager, employee or collaborator must promise or pay sums, promise or give goods in kind or other benefits or other utilities personally in order to promote or facilitate the interests of Ligabue.

Ligabue does not promote and does not maintain any type of relationship with organisations, associations or movements that pursue, directly or indirectly, criminal purposes or purposes prohibited by law.

Ligabue also condemns any form of participation by the Recipients in associations with purposes prohibited by law and contrary to public order, and repudiates any conduct directed even only at facilitating the activity or the plan of criminal organisations, even if said conduct is necessary to obtain a profit.

8.3 Development of local communities

Ligabue is committed to actively contributing to promoting the quality of life, socio-economic growth in the communities in which it operates, and to forming human capital and local skills, whilst carrying out its business activities in ways that are compatible with correct business practice.

Ligabue carries out its activities aware of the social responsibilities with all Stakeholders and, in particular, the local communities in which it operates. It is convinced that dialogue and interaction with civil society are a basic company value. Ligabue respects the cultural, economic and social rights of the local communities in which it operates. Wherever possible, it commits to their implementation with specific reference to the right to adequate food, including drinking water of a suitable quality, whose nutritional value, variety and quality adequately satisfy the personnel's needs and takes their different cultures and religious beliefs into account; to respectable homes and recreational

locations suited to health and well-being; to education, all abstaining from actions that could hinder or block the implementation of those rights.

Ligabue promotes transparency in information addressed to local communities, with particular reference to subjects of the most interest for them. It also promotes forms of ongoing, informed consultation, through competent Ligabue structures, to take the local communities' legitimate expectations into account when implementing and conducting company activities and to favour adequate redistribution mechanisms for the resulting profits.

Hence, Ligabue undertakes to spread the knowledge of company values and principles internally and externally, also by setting up suitable control procedures. It undertakes to protect the specific rights of local populations, with special reference to their cultures, institutions, relationships and lifestyles.

When carrying out their respective functions, Ligabue personnel must take part in establishing single initiatives in line with Ligabue action policies and programs, implementing them in a fully transparent way and sustaining them as an integrating value of Ligabue objectives.

8.4 Promotion of “non-profit” activities: the Ligabue Research and Study Centre (CSRL)

Ligabue's philanthropic activities are in line with its vision and focus on sustainable growth. For that purpose, it set up the Ligabue Research and Study Centre CSRL in 1971, whose activities now continue through the Giancarlo Ligabue Foundation, which was set up in 2016.

Hence, Ligabue undertakes to favour, sustain and promote its “non-profit” activities amongst its personnel. They are evidence of the company's commitment to playing an active part in satisfying needs, specifically the cultural ones of the communities in which it is present.

Ligabue may accept requests for contributions solely in the case of proposals received from non-profit entities and associations, or those that have a high cultural value or benefit, and always with maximum transparency.

Sponsorship activities may relate to social and environmental issues, sport, entertainment, the arts and culture.

Ligabue attributes great importance to consistency of any contributions and sponsorship and ensures a sufficient level of control on effective supply of the sponsorship services.

9. Relations with clients and suppliers

9.1 Relations with business partners

Ligabue fosters transparent and collaborative agreements with partners, promoting synergies and undertaking not to exploit situations of dependency or weakness of the other party, from who it expects an identical conduct.

Each business partner must be assessed according to principles of integrity and professionalism, both subjective (e.g. their institutional history and reputation) and objective (e.g. activities normally performed by the customer/partner, consistency between them and the type of operation concerned).

Generally speaking, relations must not be started with partners of any type if average diligence leads to objections over reliability, integrity and professionalism being raised.

Business partners must accept all contractual documentation submitted by the Company, which will include the obligation of complying with the principles of the Code, and also other voluntary rules of conduct that the Company has introduced and communicated for this purpose, and envisaging the application of specific measures if they are breached.

9.2 Protection of competition

Ligabue recognises the fundamental importance of a competitive market, on which free competition is a decisive factor of growth and constant company improvement. Ligabue therefore avoids behaving in a manner that breaches laws on competition.

9.3 Clients and consumers

Ligabue pursues the market success of its company by offering quality products and services under competitive conditions and in compliance with all laws in force to protect fair competition.

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Ligabue undertakes to respect consumers' right not to receive products that are harmful for their health and safety and to provide complete information on products offered (traceability).

Ligabue acknowledges that the appreciation of those requesting products and services is of primary importance for its company's success. Its commercial policies aim to assure the quality of goods and services, safety and compliance with the precaution principle. Hence, the Recipients of the Code of Ethics must:

- comply with internal procedures when managing relations with clients and consumers;
- provide, efficiently and courteously, within the contractual limits set, top quality products that satisfy the reasonable expectations and needs of clients and consumers;
- provide accurate, exhaustive information on products and services and tell the truth in advertising or other communications, so that clients and consumers can make aware decisions.

9.4 Suppliers and external collaborators

The professionalism and commitment of Ligabue are behind the selection and definition of the actions to take, the methods through which to establish and start projects, such as the selection of suppliers and external collaborators (including consultants, etc.) identified each time, by organising forms of collaboration and mutual exchange and delegating performance of part of its activities to them.

The practices of corruption, unlawful favours, collusive conduct, demanding benefits, providing of tangible and intangible benefits and also other benefits aimed at influencing or compensating the representatives of institutions, or their relatives, and Ligabue employees, is prohibited and punished.

External suppliers and collaborators are selected using procedures that comply with applicable laws and constantly based on criteria of transparency, competitiveness and efficiency.

Ligabue undertakes to search for suitable professionalism and commitment to sharing the principles and contents of the Code in its suppliers and external collaborators; and to promote lasting, correct relationships for the continual improvement of performance whilst protecting and promoting the principles and contents of the Code.

In supply contract and procurement relationships and, in general, in the supply of goods and/or services and external collaboration (including consultants, agents, etc.), the Recipients of the Ligabue Code of Ethics must:

- comply with internal procedures when selecting and managing relations with suppliers and external collaborators; must not prevent any subject satisfying the necessary requirements from competing to be awarded a supply contract with Ligabue; when selecting, solely adopt objective assessment criteria in a declared and transparent way;
- obtain the collaboration of suppliers and external collaborators to ensure the ongoing satisfaction of client and consumer needs, to meet their legitimate expectations, in quality, cost and delivery terms;
- use to the greatest extent, in compliance with laws in force and legitimacy criteria for operations with related parties, products and services supplied by Ligabue companies at competitive, market conditions;
- include the confirmation that they are aware of the Code and the obligation to abide by the principles therein in contracts;
- comply with and request compliance with contractual terms and conditions;
- maintain a frank, open dialogue with suppliers and external collaborators in line with good commercial practice; inform their superior in a timely manner of any Code violations;
- inform the competent Ligabue Corporate structure of any important problems arising with a supplier or external collaborator, to allow the consequences to be considered at Ligabue level as well.

The fee to be paid must always be commensurate to the service indicated in the contract. Payments may in no way be made to a party other than the contractual counterpart nor in a country other than that of the parties or where the contract is executed.

Ligabue discloses the content of this Code to its suppliers and collaborators by providing it to them.

10. Ligabue management, employees, collaborators

10.1 Growth and protection of Human Resources

Ligabue personnel are indispensable for the company. Management and employee dedication and professionalism are values and decisive conditions for achieving Ligabue objectives.

Ligabue recognises the central role played by human resources in performance of company activities and therefore adopts selection, training and working procedures and methods based on respect for human values, autonomy and responsibility of workers and also on the importance of participation and individual and organised acceptance of company objectives and values.

Ligabue undertakes to develop the skills and competences of its management and employees, so that, during working activities, the individual's energy and creativity is fully expressed to realise his/her potential, and to safeguard working conditions, to protect workers' safety and respect their dignity. No undue influence or harassment is allowed. The company promotes working conditions that allow a person's personality and professionalism to develop.

In full compliance with current laws and contractual regulations, Ligabue undertakes to offer all workers the same employment opportunities, making sure that everyone can enjoy fair regulatory and salary treatment based on merit and competences, with no discrimination. Competent functions must:

- adopt merit and competence criteria in all cases (strictly professional in all cases) for any decision concerning human resources;
- select, hire, train, pay and manage human resources with no discrimination whatsoever;
- create a working environment in which personal orientation characteristics cannot cause discrimination and which promotes serenity in all Ligabue personnel.

Ligabue hopes that all the Recipients of the Ligabue Code of Ethics, at all levels, collaborate to maintain a climate of mutual respect for each person's dignity, honour and reputation in the company. Ligabue will take action to stop offensive, discriminatory or defamatory interpersonal attitudes. For that purpose, any behaviour outside work that is particularly offensive for civil sensibility is also considered important. Physical or moral violence is forbidden, in all cases.

10.2 Company security

In observance of respect for the person and in compliance with the current binding legal requirements at the time, Ligabue guarantees the creation and management of workplaces and environments that protect workers' health and safety.

Workers must contribute to protection of their own and others' safety, complying with the applicable regulations and standards in the area and promptly reporting any situation of danger for their own or others' safety to their superior.

Ligabue is involved in studying, developing and implementing strategies, policies and operating plans to prevent and overcome all culpable or malicious behaviour which could cause direct or indirect damage to Ligabue personnel and/or the company's tangible and/or intangible resources.

All Ligabue personnel must actively contribute to maintaining an excellent company security standard, abstaining from any unlawful or dangerous conduct; reporting to their superiors or the body to which they belong, and to the competent Ligabue Corporate structure, any activities carried out by third parties to damage Ligabue property or human resources.

It is an obligation, in any context where special attention to personal safety is needed, to abide scrupulously by indications provided by Ligabue on the matter; abstaining from any conduct that could endanger themselves or others, promptly reporting to superiors any situation of risk for themselves or others.

10.3 Harassment or mobbing in the workplace

Ligabue favours initiatives to obtain the best organisational well-being for working activities.

Ligabue demands that there be no harassment or attitudes that could be considered mobbing in internal and external working relations. All, without exception, are absolutely forbidden. The following are considered as such:

- create an intimidating, hostile, isolating or discriminatory working environment for individuals or groups of workers;
- interfere with no justification in the performance of other people's work;
- hinder another individual's work prospects for simple reasons of personal competitiveness or competitiveness of others.

Any form of harassment or sexual violence or relating to personal and cultural differences is forbidden. The following are considered as such:

- making any important decision concerning the working life of the person concerned conditional upon the acceptance of sexual favours or personal and cultural differences;
- induce collaborators to provide sexual favours, taking advantage of one's own role;
- propose private interpersonal relations, despite specific or reasonably evident dislike;
- allude to physical or mental disability or disablement or forms of cultural and religious differences or sexual orientation.

10.4 Abuse of alcohol or drugs and veto on smoking

All Ligabue personnel must contribute personally to promoting and maintaining a climate of mutual respect in the workplace. Special attention must be paid to respect of other people's sensitivity.

Being or finding oneself under the effect of alcohol, drugs or substances with a similar effect whilst on the job and in the workplace will be considered as a knowing acceptance of the risk of prejudicing those environmental characteristics. Chronic addiction, when this affects the workplace, will be - contractually - equated to the above cases. Ligabue undertakes to favour actions established in labour contracts for said problems.

It is forbidden to:

- possess, consume, offer or sell any narcotic or similar substance for any purpose, whilst on the job and in the workplace;
- smoke in the workplace. Ligabue favours voluntary initiatives for personnel who intend to stop smoking and, on choosing any areas reserved for smokers, will pay special attention to the condition of those who suffer physical discomfort with the presence of smoke in shared working environments and ask to be protected against contact with "passive smoke" in their workplace.

III. Instruments used to apply the Code of Ethics

1. Internal audit system

Ligabue undertakes to promote and maintain an adequate internal audit system, intended as all the instruments needed or useful to address, manage and check company activities; to guarantee compliance with current laws and company procedures, to protect company property, manage activities in the best, most efficient way and provide accurate, complete financial and accounting data.

The responsibility for setting up an effective audit control system is shared by each level of the Ligabue organisation. Consequently, all the Recipients of the Code of Ethics, as part of the functions and responsibilities held, are committed to defining and taking an active part in correct internal audit system operations.

Ligabue promotes the circulation at all levels of a culture and procedures showing awareness that controls exist and a mentality oriented towards aware, voluntary control. Consequently, management, in the first place, and all the Recipients of the Ligabue Code of Ethics must contribute to and take part in the Ligabue internal audit system and involve collaborators in a positive way.

Each person is a custodian of the company property assigned to him/her (tangible and intangible) and instrumental to the activity carried out. No employee may use property assigned to them and Ligabue resources improperly or permit others to do so.

Practices and attitudes that could be considered as carrying out or taking part in fraud are forbidden, without exception.

Ligabue auditing and supervisory functions and the auditing companies appointed have free access to data, documents and information needed to carry out their activities.

1.1 Conflicts of Interest

Ligabue acknowledges and respects the right of its Recipients to take part in investments, business or activities of other kinds outside what they do in the interest of Ligabue, as long as said activities are legal and compatible with the obligations accepted with Ligabue.

Ligabue management and employees must avoid and notify conflicts of interest between personal and family economic activities and tasks carried out within the structure or entity to which they belong. In particular, each one must notify any specific situations and activities in which he/she or, as far as he/she knows, relations or similar within the second degree or de facto cohabitants, hold economic and financial interests (owner or shareholder) amongst suppliers, clients, competitors, third party contracting parties, or of the relative parent companies or subsidiaries, or hold corporate management or controlling roles, or managerial ones.

The following situations are also considered conflicts of interest:

- use of a person's position at the company or of information or business opportunities acquired in that position for the improper advantage of oneself or others;
- the employee and/or his/her relations carrying out working activities for suppliers, sub-suppliers, competitors.

In any case, Ligabue management and employees must avoid all situations and activities where a conflict with the company's interest could emerge or which could interfere with their capacity to make impartial decisions in the company's best interest, in full compliance with the principles and contents of the Code or, generally, precise fulfilment of functions and responsibilities held. Each situation that could constitute or cause a conflict of interest must be reported to the person's manager or the entity to which they belong in a timely manner. Similarly, the party involved shall abstain immediately from intervening in the operating/decision-making process and the superior or entity:

- shall identify operational solutions to safeguard, in the specific case, the transparency and correctness of conduct when carrying out activities;
- transmit to those involved - with a copy to his/her hierarchical superior - the necessary written instructions;
- file the documents received and transmitted.

1.2 Transparency in accounts

Accounting transparency is based on the truth, accuracy and completeness of basic information in the relative accounts. Each member of corporate bodies, management or employee must collaborate, within his/her area of competence, so that management facts are presented correctly in accounts in a timely manner.

It is forbidden to behave in any way that could prejudice the transparency and traceability of balance sheet information.

Adequate documentation supporting the activity carried out is kept for each operation, to enable:

- easy, punctual recording;
- identification of the different responsibility levels and of the division and separation of tasks;
- accurate reconstruction of the operation, to reduce the probability of errors, including material or interpretative errors.

Each entry must precisely reflect the content of the supporting documents. All the Recipients of the Ligabue Code of Ethics must make sure that documents are easily traceable and ordered according to logical, correct accounting-administrative conservation criteria.

Recipients of the Ligabue Code of Ethics who discover omissions, falsifications, negligence in accounts or the documents on which accounting entries are based on must report the facts to their superiors or to the entity to which they belong, and to the Supervisory Authority.

2. Protection of health, safety and the environment and public safety

Ligabue activities must be carried out in compliance with international agreements and standards and with laws, regulations, administrative practices and the national policies on worker health and safety, protection of environment and public safety of the countries in which it operates.

Ligabue actively contributes to promoting scientific and technological development aimed at safeguarding resources and the environment, in the appropriate places. Operational management must refer to advanced environmental protection and energy efficiency criteria pursuing the ongoing improvement of workplace health and safety and environmental protection.

The Recipients of the Ligabue Code of Ethics, as part of their functions, take an active part in the risk prevention process, in safeguarding the environment and public safety and in protecting their own health and safety and that of colleagues and third parties.

3. Confidentiality

3.1 Protecting company secrets

Without prejudice to the transparency of activities carried out and the reporting obligations imposed by current laws, the Recipients of the Ligabue Code of Ethics must guarantee the confidentiality required by circumstances on all information learnt through their jobs.

Information, know-how and data acquired or processed at work or whilst carrying out one's duties belongs to Ligabue. It may not be used, communicated or disclosed without the prior authorisation of the person's superior in a managerial position, in compliance with specific procedures.

3.2 Protection of privacy

Ligabue undertakes to protect information concerning its personnel and third parties generated or acquired internally and in business relations, and to avoid any improper use of that information.

Ligabue guarantees that all personal data processing carried out in its structures respects the fundamental rights and freedoms, dignity of the data subjects, as set forth in current laws.

Personal data must be processed lawfully and correctly. Only data that is necessary for certain specific, explicit and legitimate purposes is collected and recorded. Data is kept for a period of time no longer than necessary for the purposes for which the data was collected.

Moreover, Ligabue undertakes to adopt suitable, preventive security measures for all databases that collect and store personal data; to avoid any risk of destruction and loss or unauthorised access or processing.

The Recipients of the Ligabue Code of Ethics must:

- only acquire and process data needed and opportune for the purposes directly connected with the functions and responsibilities held;
- only acquire and process said data as part of specific procedures and keep and file the data in a manner that no other unauthorised parties can gain knowledge of it;
- present and order data so that any party authorised to access it may do so easily through a framework that is as precise, exhaustive and truthful as possible;
- communicate the data as part of specific procedures or specific authorisation from superiors and, in any case, only after having checked that the data can be disclosed in that specific situation; also with reference to absolute or relative restrictions concerning third parties connected to Ligabue by a relationship of any kind and, if necessary, after obtaining their consent.

3.3 Participation in associations, initiatives, events or external meetings

Ligabue supports participation in associations, initiatives, events or external meetings as long as this is compatible with the person's job or professional activity.

The following are considered as such:

- participation in associations, conventions, congresses, seminars, courses;
- writing articles, papers and publications in general;
- participation in public events in general.

For that purpose, Ligabue management and employees called on to illustrate or provide data or information on objectives, activities, results and points of view externally must obtain the permission of a superior in a managerial position on the lines of action to be followed and the texts and reports to be prepared, and must agree on content with the competent Ligabue Corporate structure.

IV. Areas of application and reference structures of the Code of Ethics

The principles and contents of the Code apply to the Recipients of the Ligabue Code of Ethics and to Ligabue activities.

Representatives appointed by Ligabue in the corporate bodies of associated companies, in consortia and in joint-ventures shall promote the principles and contents of the Code in their respective areas of competence.

In the first place, directors and management are responsible for putting the principles and contents of the Code into practice, both internally and externally, and strengthening trust, cohesion and group spirit. Their conduct must also be an example for their collaborators and they must direct them to respect the Code and stimulate them to ask questions and make suggestions on individual aspects thereof.

1. Obligation to know the Code and reporting of possible violations

Each Recipient of the Ligabue Code of Ethics is required to know the principles and contents of the Code and the reference procedures regulating the functions and responsibilities held.

Hence, each Recipient of the Ligabue Code of Ethics must:

- abstain from conduct that goes against those principles, contents and procedures;
- carefully select collaborators, within his/her sphere of competence, and direct them to comply with the Code in full;
- require that third parties Ligabue has relations with know the Code;
- promptly report to their superiors or the entity to which they belong any findings or information provided by Stakeholders concerning possible cases of violation or requests to violate the Code;
- collaborate with the Supervisory Authority and with functions assigned by specific procedures to check on possible violations;
- adopt immediate corrective measures when the situation requires it and, in any case, block any type of retaliation.

Although an individual may not conduct personal inquiries or report the information to anyone other than their superiors or the entity to which they belong, they may report directly top management if they feel they have suffered retaliation after reporting a possible violation.

2. Reference and supervisory structures

Ligabue is committed to guaranteeing:

- maximum diffusion of the principles and contents of the Code amongst Ligabue personnel and other stakeholders; making any possible means of knowledge and clarification available to interpret and implement the Code, and updating to adapt it to the changes in civil sensibility and relevant laws;
- controls on any reports of violations of the principles and contents of the Code or the reference procedures; objective assessment of facts and the resulting implementation and, if the violation has been ascertained, the imposing of suitable disciplinary measures; that no-one suffer retaliations of any kind for having supplied information on possible Code or reference procedure violations.

2.1 Promotion of the Code

The Code is made available to all the Recipients of the Ligabue Code of Ethics in compliance with applicable regulations and can also be consulted on the website and Intranet of Ligabue S.p.A.

Any information flow is addressed to the mailbox: codice.etico@ligabue.it

2.2 Checking the Code

The Supervisory Board appointed pursuant to Italian Legislative Decree no. 231/01 is responsible for checking compliance with the Code.

In detail, the Supervisory Board has the following responsibilities:

- promote and check compliance with the Code, with a view to avoiding the risk of the crimes envisaged by the Decree being committed;
- formulate its own comments on ethical issues that could arise in company decisions and in presumed breaches of the Code relating to those decisions;
- provide operational support to the organisational units of Ligabue and of Group companies in the interpretation and implementation of the Code, as a constant reference for the correct conduct to maintain during performance of their activities;
- report any breaches of the Code to the competent company bodies, suggesting the penalties to impose and checking effective application of any measures imposed;
- coordinate a periodic review of the Code, also through its own proposed adaptations and/or reviews;
- prepare and approve the ethics communication and training plan.

2.3 Stakeholders' reporting

All Stakeholders may report to the Supervisory Board, in writing and also anonymously, through confidential information channels, any breach or suspected breach of the Code.

The issues that must be reported include, but are not limited to, the following:

- any omissions, negligence or forging of accounts or in keeping the documentation on which accounting entries are based;
- any irregularities or malfunctions relating to management, including the part relating to resources from parties that have business relations with the Company, and the methods of supply of the services;
- any offers of gifts (exceeding a modest value) or payments from parties with whom the Company has business relations, any orders received from superiors and considered to be against the law or in conflict with internal regulations, the Organisation, Management and Control Model or this Code.

2.4 Review of the Code

The review of the Code is approved by the Board of Directors of Ligabue S.p.A., on proposal of the CEO, in agreement with the Chairman, after consulting the Board of Auditors.

2.5 Contractual value of the Code

Compliance with the regulations of the Code shall be considered as an essential part of the contractual obligations of all the Recipients of the Ligabue Code of Ethics pursuant to and in accordance with applicable law.

Violation of the principles and contents of the Code may constitute a breach of the primary obligations of the employment relationship or a disciplinary offence, with all legal consequences also for the employment relationship itself, and result in compensation of the resulting damages.