

**ACCIAIERIE VALBRUNA S.p.A.**



**ACCIAIERIE VALBRUNA S.p.A.**

**CODE OF ETHICS**

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## PREMISE

Valbruna S.p.A. is a company operating in the steel, metallurgical and mechanical industries for the manufacture of special steels.

### Definitions

**Acciaierie Valbruna** or the **Company**: Acciaierie Valbruna S.p.A., with registered office in Bolzano, in via Alessandro Volta n. 4 and administrative headquarter in Vicenza, Viale della Scienza n. 25.

**Decree**: Legislative Degree 8 June 2001, n. 231 in the matter of Administrative Responsibility of companies.

**Code of Ethics**: this Code of Ethics, adopted by the Board of Directors of Acciaierie Valbruna S.p.A.

**Model**: the Model of Organization, Management and Control adopted pursuant to the Legislative Degree by Acciaierie Valbruna S.p.A.

**OdV** or **Supervisory Body**: The supervisory body ex D.Lgs. n. 231/2001 appointed by the Board of Directors of Acciaierie Valbruna S.p.A.

**RECIPIENTS**: all those who act, operate and collaborate in any capacity with Acciaierie Valbruna S.p.A. (employees, consultants, suppliers and third parties in general) and that are faced with situations requiring the adoption of relevant behaviour in a variety of ways, including, the most important, the ethical and the legal.

The principles and provisions of the Code of Ethics are binding on the Directors, on all persons connected with subordinate employment relationships with the Company ("Employees") and on all those who work for the Company, whatever the relationship, or temporary, linking them to the same ("Collaborators"). Administrators, Employees and Collaborators are jointly defined below **Recipients**.

The Company does not intend to maintain relations with persons who do not undertake to respect the principles and rules contained in this Code. To this end, the Valbruna S.p.A. Acciaierie ensures to include in the contracts with these parties clauses for the respect of the Organization, Management and Control Model adopted by the Company and of which the present Code is part.

In no way can the conviction to act in the interests or for the benefit of the Company justify the adoption of conduct contrary to the principles set out in this Code. The application and observance of the principles set out also fall within the more general obligations of cooperation, fairness, diligence and fidelity required by the nature of the benefit due and by the interest of the undertaking, to which all are required in the performance of any service in favour of Valbruna Acciaierie S.p.A.

These obligations, in particular for the employees of the Company, supplement the provisions of Articles 2104 and 2105 of the Italian Civil Code and the National Collective Labour Agreement (CCNL) applicable and in force.

This Code is an integral part of the Organization, Management and Control Model adopted by the Company pursuant to Legislative Decree no. 231/2001.

## **1. GENERAL PRINCIPLES**

The aim of this Code is to give its Recipients a clear and unequivocal indication of the objectives, values and rules of conduct in which the Company identifies itself.

The primary values of the Company are the protection of the health and safety of workers and respect for the environment.

The recipients of this Code are obliged to respect the procedures of the Manual of Integrated Management System Environment and Safety.

### **1.1 COMPLIANCE WITH LAWS, ETHICAL PROVISIONS, REGULATIONS AND PROCEDURES**

Recipients are obliged to respect with diligence the laws in force in all the Countries in which the Company operates, the Code, any other ethical disposition to which the Company has adhered, the internal regulations and procedures. In no case may the pursuit of the Company's interests justify conduct which is not honest and which does not comply with current legislation, the ethical provisions and this Code.

Recipients are also required to comply with Company procedures.

### **1.2 PROTECTION OF HEALTH AND SAFETY AT WORK**

Within the framework of current legislation, the Company undertakes to take all necessary measures to protect the physical and moral integrity of its workers.

In particular, the Company undertakes that:

- a. compliance with existing legislation on the health and safety of workers is considered a priority;
- b. the risks to workers are, as far as possible and guaranteed by the development of the best technique, also avoided by choosing the most appropriate and least dangerous materials and equipment and such as to mitigate the risks at source;
- c. the avoidable risks are properly assessed and appropriately mitigated through appropriate collective and individual safety measures;
- d. the provision of information and training to workers is widespread, up-to-date and specific in relation to their job;
- e. consultation of workers on health and safety at work is ensured;
- f. swiftly and effectively address any safety-related needs or non-conformities

- arising in the course of work or during audits and inspections;
- g. the organisation of work and its operational aspects are carried out in such a way as to safeguard the health of workers, third parties and the community in which the Company operates.

Workers, each to the extent of their own competence, are required to ensure full compliance with the law, the principles of this Code and the Company's procedures and any other internal provisions to ensure the protection of health and safety at the workplace. Furthermore, they must report any violations or even simple attitudes or practices contrary to the provisions of the Code of Ethics and the Model, as specified in paragraph 10 below.

### **1.3 PROTECTION AND SAFEGUARD OF THE ENVIRONMENT**

The Company considers the environment a primary good and promotes its protection and respect by all employees or collaborators in any capacity, customers, suppliers and partners.

Corporate choices are always oriented to ensure the greatest possible compatibility between economic initiative and environmental needs, not limited to the simple compliance with current legislation, but with a view to sustainable synergy with the territory, the natural elements and the health of workers.

Acciaierie Valbruna S.p.A. monitors the environmental impacts of his activities and systematically seeks to improve them in a coherent, effective and sustainable manner.

All recipients shall be obliged to:

1. comply with all regulations relating to the protection of the environment;
2. aim at achieving the objectives defined in the environmental strategy, which is based on the following pillars:
  - ✓ products (reduce the environmental impact of products as much as possible)
  - ✓ standards (respect and, if possible, exceed environmental standards and environmental "laws");
  - ✓ waste (reducing the amount of raw materials used for products);
  - ✓ recycling (use in products recycled/recyclable materials wherever possible);
  - ✓ awareness (educating employees and the community to reduce waste generation and excessive use of resources);
  - ✓ research (developing new products in line with the principles of environmental responsibility);



- ✓ structures (defining and maintaining programs to design and manage structures respecting and, where possible, exceeding the standards defined by laws and regulations);
  - ✓ decision criteria (consider environmental issues in all major business operations of the Company);
  - ✓ responsibility for the past (acting responsibly to remedy any negative impacts on the environment of past business practices);
3. use resources efficiently;
  4. report immediately any breach, even suspected, of the Company's Code and procedures.

Where, in order to meet the requirements of environmental protection, it is necessary to resort to the intervention of authorized persons (disposers, transporters, etc.), the latter must be chosen among those with the highest requirements of reliability, professionalism and ethics.

## **2. RULES OF CONDUCT AGAINST STAFF**

### **2.1 HUMAN RESOURCES**

Human resources are an indispensable element of the company's organization and therefore represent the main source of the Company's success, both from the general institutional point of view and from the strictly corporate point of view.

The Company offers to all employees the same opportunities, on the basis of merit criteria and in compliance with the principle of equality, and allows each one to develop his or her own aptitudes, skills and competences, preparing, if necessary, training programmes and/or refresher courses.

### **2.2 STAFF SELECTION**

The mere promise of hiring someone in exchange for favors can be unlawful.

The recruitment process should aim at selecting the most suitable and best-suited person on the basis of matching the profiles of applicants and their specific skills to business needs, as they result from the request made by the applicant function and always with respect for equal opportunities for all interested parties.

The information requested shall be closely linked to the verification of the aspects of the professional and psycho-aptitude profile, respecting the candidate's private sphere and opinions.

## **2.3 RIGHTS AND OBLIGATIONS OF EMPLOYEES**

The employee of the Company, among others, has the obligation:

- a. To be familiar with and to comply with current legislation, processes, procedures, internal regulations and business guidelines as well as with the principles contained in this Code;
- b. To observe the provisions and instructions given by the Company or its managers;
- c. To fulfil all the obligations necessary for the protection of safety and health in the workplace;
- d. To provide colleagues, managers and/or his own manager with appropriate cooperation, communicating all information and acting in any way that makes it possible to operate with maximum efficiency in the execution of the tasks assigned and in the pursuit of the common objectives;
- e. To avoid abusing or engendering false beliefs in relation to their position, role or powers within the Company and the Company's role, taking immediate action to eliminate any misunderstanding;
- f. Not to perform acts contrary to official duty, or to omit or delay an act of its own motion for the undue achievement or promise of money or any other use to itself or to others;
- g. In order to maintain the confidence of the market and in particular of suppliers towards the Company, to treat all in a fair manner, avoid favors or pressures, real or apparent, in order to obtain particular advantages from certain suppliers;
- h. To keep confidential information relating to the Company's activities, as well as information of a financial and economic nature, in particular by refraining from providing it with IT tools;
- i. Not to use information obtained in the course of the Company's activity for personal purposes or to obtain financial or non-financial benefits;
- j. To promote the knowledge of the Code towards all the subjects with which they have relationships, of formal and informal nature, within the carrying out of his/her own activity;
- k. Don't reveal any information on the suppliers of the Company to third parties and in particular way to other suppliers of the Company;
- l. Not to denigrate, in any case, the Company and/or who has had relationships of any nature and to any title with the same one;
- m. Not to participate to informal meetings with interested subjects to get information on argue remarkable regarding the activity of office, if expressly authorized not by his/her own responsible person;
- n. To avoid to frequent associations, circles or other organisms of any nature, if

- can derive obligations of it, ties, such expectations to be interfered with the exercise of his/her own activity;
- o. To bring in truthful and correct way to the Company the information which it is kept, what for example, the relationship summarised of the worked time, the note expenses, the records of the developed activities, etc.;
  - p. Not to use for personal purposes, except in special cases of urgency, work equipment, including telephone lines, and to take care of the premises, furniture, vehicles or materials made available to them;
  - q. To acquire the essential professional competences for the accomplishment of his/her own activity and to maintain, for all through the relationship of job, a suitable level of knowledge and experience, constantly update his/her own preparation and frequenting the courses of updating or retraining eventually proposed and activated by the Company;
  - r. Not to draw profits or advantages, direct or indirect, financial or not, with or without damage for the Company, from the accomplishment of his/her own working activity;
  - s. To conduct and use a language and clothing appropriate to the working environment;
  - t. To fulfil punctually and in proactive way to the anticipated fulfilments from the Model (for example formation, dispatch of the reports, share to meetings with the OdV, etc.) to avoid behaviours that can compromise the role of the Model, of the OdV and the activity of vigilance of the functions appointed to the control.

### **3. RULES OF CONDUCT AGAINST PUBLIC ADMINISTRATION**

#### **3.1 RELATIONS WITH PUBLIC ADMINISTRATION**

The Company's relations with the Public Administration, public officials or persons entrusted with a public service must be guided by the strictest impartiality and correctness, compliance with applicable laws and regulations and may in no way compromise the integrity or reputation of the Company.

The taking of commitments and the management of relations, of whatever nature, with the Public Administration, public officials or persons in charge of a public service, are exclusively reserved for the business functions assigned to them and for authorised persons.

In any case, such persons are obliged to keep diligently all the documentation relating to the relations held with the Public Administration.

In the context of relations with the Public Administration, public officials or persons entrusted with a public service, Recipients are obliged to refrain:

- a. from offering, including through an intermediary, money, employment or business opportunities or more generally other benefits, to the civil servant, his family members or persons in any way related to him; except in the case of gifts or other utilities of moderate value and, in any case, of legitimate uses, customs or activities, from which undue or unlawful interest or advantage may result for the company.
- b. from unlawfully seeking or establishing personal relationships of favour, influence, interference likely to affect, directly or indirectly, the outcome of the relationship.

### **3.2 RELATIONS WITH PUBLIC INSTITUTIONS AND SURVEILLANCE AUTHORITIES**

The Company maintains relations with public institutions according to the principles of integrity, correctness and professionalism.

Recipients are obliged to observe strictly the current legislation in the areas related to their activities and the provisions issued by the competent institutions and/or the Supervisory Authorities.

Recipients shall promptly comply with any request from the competent Supervisory Authorities competent to carry out checks or controls, providing full cooperation and avoiding obstructive behaviour.

### **3.3 RELATIONS WITH THE JUDICIAL AUTHORITY**

The Company operates in a lawful and correct way, collaborating with the Judicial Authority and the Organs which has been delegated by them.

In the context of any outstanding litigation, the activity carried out for the management of the same must be guided by the principles of legality, fairness, transparency and all other ethical principles defined in the Code.

### **3.4 OFFERING MONEY, GIFTS OR OTHER UTILITIES**

Acciaierie Valbruna S.p.A. condemns any behaviour, on its behalf, by the social organs and their components, or by the employees of the Company, as well as by consultants, collaborators and third parties acting on behalf of the Company, consisting in promising or offering, directly or indirectly, money, services or other utilities to Public Officers and/or agents of Public Service; unless they are gifts or other utilities of moderate value and, in any case, fit into the uses, legitimate practices or

activities, from which undue or unlawful interest or advantage may result for the Company.

### **3.5 TRANSPARENCY OF THE MANAGEMENT OF FUNDING AND CONTRIBUTIONS OF PUBLIC ADMINISTRATION**

The Company condemns any conduct aimed at obtaining, by the State, European or other public bodies, any kind of contribution, financing, concessionary loan or other payment of the same kind, by means of statements and/or altered or falsified documents, or by means of information omitted or more generally, by means of artifices or deceptions, including those made by means of a computerised and/or telematic system, to mislead the paying agency.

It shall be prohibited to use for purposes other than those for which they were granted, subsidies, grants or funds obtained by the State or other public body or by European bodies, even of a modest value and/or amount.

## **4. RULES OF CONDUCT IN RELATIONS WITH SUPPLIERS AND CUSTOMERS**

### **4.1 SELECTION**

In relations with suppliers, all must be inspired by the principles of absolute honesty, loyalty, good faith, balance, fairness, diligence, effectiveness, efficiency, clarity, impartiality, transparency and confidentiality.

In particular, behaviours which may cause prejudice or damage, including indirect damage, to the Company, and which may lead to unjustified favouritism, benefiting one supplier over others, must be avoided.

In the choice of suppliers, the primary objective is to avoid any discrimination and to allow the maximum participation and competition between the potential suppliers. It must therefore be observed, within the framework of what previewed from the enforced norm and the internal dispositions, the established procedures in order to complete the best choice of the suppliers and to operate a correct management of the relationship with the same ones, including at the stage of performance of the contract.

Business relations must be maintained exclusively with reputable customers, companies, partners and suppliers who carry out legitimate business activities and whose proceeds derive from legitimate sources.

## **4.2 MANAGEMENT OF THE CONTRACTUAL RELATIONSHIP**

In dealings with suppliers, any Recipients shall not:

- accept non-existent performance;
- authorize undue payments,
- order third parties to carry out illegal or unethical activities.

At the same time, Recipients must:

- give third parties the opportunity to engage in fair dealing with the Company;
- consider the presence of any potential conflicts of interest before involving a third party;
- select qualified business partners with a good reputation for quality and honesty;
- ensure that all agreements with business partners are in line with the Company's business policies.

## **4.3 GRATUITIES, OFFERS AND COMPLIMENTS**

In relationships with customers any tangible goods, such as gifts or money, but also intangible goods or services and discounts for the purchase of such goods or services or any other utility, direct or indirect, is defined as gift.

As far as client relationships are concerned, gifts and representation expenses must be compatible with current legislation and market practices and have been approved and registered in accordance with internal rules.

## **4.4 PRINCIPLES OF CONDUCT FOR THE PREVENTION OF CORRUPTION AMONG PRIVATE INDIVIDUALS**

Any direct and/or otherwise intended to give or permit money or other use to directors, general directors, managers and/or liquidators or other apical entities of another company shall be prohibited, for the latter to perform or omit to perform acts, in violation of the obligations inherent in their office or of the obligations of fidelity.

## **5. RULES OF CONDUCT IN BUSINESS ACTIVITIES**

### **5.1 OPERATIONS AND TRANSACTIONS**

Every transaction, understood in the widest sense of the term, must be legitimate, authorized, coherent, appropriate, documented, recorded and verifiable in every time.

The procedures governing the operations must allow the possibility of carrying out checks on the characteristics of the transaction, the reasons for its execution, the authorisations to conduct the transaction, on the execution of the same operation.

Any person who carries out transactions or involves sums of money, goods or other economically exchangeable benefits belonging to the Company, must act under authorization and provide, on request, any valid evidence for its verification at any time.

Each corporate function is responsible for the truthfulness, authenticity and originality of the documentation produced and the information provided in the performance of the activity of its own competence.

Compliance with the principles of fairness, transparency and good faith in relations with all contractual partners must be ensured.

The assignments given to any service companies and/or natural persons who care for the economic/financial interests of the Company must be written down, with an indication of the content and the economic conditions agreed. Exceptions must be duly authorised and justified.

With regard to the commercial/professional reliability of suppliers and partners, all necessary information must be requested and obtained in order to assess the ethical reputation/reliability of the contractual counterparty.

## **5.2 PURCHASES OF GOODS AND SERVICES AND OUTSOURCING**

Employees and persons who make any purchase of goods and/or services, including the entrustment of external advice, on behalf of the Company, must act in accordance with the principles of transparency, fairness, economy, quality, encumbrance and lawfulness. They must operate with the diligence of the good father of the family and in compliance with the specific procedures and/or internal regulations of the Company.

In addition, these persons shall undertake:

- ✓ To select the consultants on the basis of the procedures in force, in compliance with the criteria of seriousness and competence of the trader and conferring to the same assignments by contract/letter of formal assignment;
- ✓ To define as much as possible the exact content of the performance and any project outputs in order to allow the verification of the performance, also a posteriori;
- ✓ Duly to file all documentation, in particular the final version of documents, including correspondence;

- ✓ Not to pay or offer, directly or indirectly, payments and material benefits of any entity to influence or offset an act of their office;
- ✓ Not to implement illegal practices and behaviour, collusion, illegal payments, attempts at corruption and favouritism;
- ✓ Not to recognise fees that are not justified by the type of assignment or local practice.

### **5.3 MANAGEMENT OF COMPUTER SYSTEMS**

The Company condemns any behaviour consisting in the alteration of the functioning of a computer or telematic system or in the access without right to data, information or programs contained therein, in order to obtain an unjust profit for the Company to the detriment of the State.

It is also prohibited to:

- ✓ install, download and/or use computer programs and tools that allow you to alter, counterfeit, falsely attest, suppress, destroy and/or conceal public or private computer documents;
- ✓ install, download and/or use computer programs and tools that allow the abusive introduction within computer or telematic systems protected by security measures or that allow the stay (without authorization) within them, in violation of the measures taken to guard them by the holder of the data or programmes which it is intended to preserve or keep confidential;
- ✓ find, disseminate, share and/or communicate passwords, access keys, or other appropriate means to allow the conduct referred to in the preceding two points;
- ✓ use, find, disseminate, share and/or communicate on the use of equipment, devices or computer programs designed to damage or interrupt a computer or telematic system;
- ✓ use, find, disseminate, install, download, share and/or communicate the use of equipment, devices or computer programs intended to intercept, prevent or unlawfully interrupt computer or telematic communications, even if they occur between several systems;
- ✓ destroy, deteriorate, delete, render totally or partially inoperable, alter or suppress data or computer programs of others or represent a serious obstacle to their operation;
- ✓ use, install, download and/or communicate techniques, computer programs or tools that allow you to change the field of the server or any other information related to it or allow you to hide the identity of the sender or to change the settings of the computer tools provided by the Company;
- ✓ use file sharing software.



#### **5.4 USE OF BANKNOTES, PUBLIC CREDIT CARDS, STAMP VALUES**

The Company is careful to the need to ensure fairness and transparency in the conduct of business and requires, that the Recipients comply with the current legislation on the use and circulation of coins, public credit cards and stamp values, and therefore severely penalises any conduct aimed at the illicit use and circulation of credit cards, stamp values, counterfeit coins and banknotes.

Any person related to the Company who receives banknotes or coins or credit cards as payment shall be required to verify their compliance and legal requirements; and if false, to inform its hierarchical superior or the Supervisory Body, so that it can make appropriate complaints.

#### **5.5 INSTRUMENTS AND SIGNS OF RECOGNITION AND PROTECTION OF COPYRIGHT**

The Company safeguards intellectual property rights, including copyrights, patents, trademarks and signs of recognition, following the policies and procedures provided for their protection and also respecting the intellectual property of others, in every activity of the Company also with regard to the management of corporate marketing.

The Company prohibits any conduct that results in the loss, theft, unauthorized disclosure or misuse of one's own or others' intellectual property or confidential information. To this end, the Company undertakes to activate all methods of prior and subsequent control necessary for the purpose, ensuring compliance with the law on copyright, as well as on the protection of signs of recognition, such as trademarks and patents. The Company also denounces the extraction, reproduction of data, public presentation of data collected from databases, as well as the use of such data for different purposes for which they were established and, however, contrary to the provisions of copyright law.

The Company condemns any conduct committed for unlawfully obtaining business secrets, lists of suppliers and other information relating to the economic activity of third parties.

The unauthorized reproduction of software, documentation or other material protected by copyright is not allowed and at the same time, the Recipients of this Code undertake to respect the restrictions specified in the licensing agreements relating to the production/distribution of third party products, or those with their own software suppliers.

It shall also be prohibited using or reproducing software or documentation outside the scope of any of these license agreements.

## **5.6 TERRORISM AND SUBVERSION OF THE DEMOCRATIC ORDER**

The Company requires the respect of all laws and regulations that prohibit the carrying out of terrorist activities as well as subversion of the democratic order; therefore, it also prohibits the mere membership of associations with such purposes.

The Company prohibits the use of its own resources for the financing and completion of any activity intended to achieve terrorist objectives or subversion of the democratic order, and undertakes the appropriate control and supervisory measures in order to prevent any possible conduct, which is intended for the commission of such crimes.

In addition, it is expressly forbidden for any employee, anywhere operating or located, to become involved in any practice or other action suitable to integrate terrorist or subversion conduct.

## **5.7 GUARDIANSHIP OF THE INDIVIDUAL PERSONALITY**

The Company condemns any possible conduct aimed at committing crimes against the individual, such as reducing or maintaining slavery or servitude, child prostitution, child pornography, possession of pornographic material, tourism initiatives aimed at the exploitation of child prostitution and undertakes to take any supervisory measures, which are deemed most appropriate in order to prevent the commission of such crimes.

## **5.8 ACTIVITIES FOR THE PURPOSE OF RECEIVING, LAUNDERING, USING MONEY, GOODS OR UTILITIES OF ILLICIT ORIGIN AND SELF-LAUNDERING**

Receiving is the crime of the person who purchases, knowingly or covertly, holds or hides for profit any goods or money of illicit origin (for example, goods deriving from the crime of theft).

Money laundering is a series of operations aimed at giving a legitimate appearance to capital whose origin is actually illegal, thus making it more difficult to identify and subsequently recover.

The Company carries out its activities in full compliance with the current regulations against money laundering and the provisions issued by the competent authorities.

In accordance with applicable law, the Company undertakes to avoid carrying out suspicious transactions in terms of fairness and transparency and to verify in advance the available information concerning clients, suppliers, external collaborators and agents, in order to verify the respectability and legitimacy of their activity.

All recipients shall undertake to work in such a way as to avoid implications in operations, which may also be likely to facilitate money laundering from illicit or criminal activities.

Each consignee carrying out, on behalf of the Company, transactions and/or transactions involving sums of money, goods or other economically assessable utility must act under authorization; provide on request any valid evidence for its verification at any time.

A compulsory measure is the monitoring of the cash flow from and/or third party companies in relation to the Group and aimed at the investments necessary to carry out the business and/or on capital increases by shareholders, in order to ensure proper identification of the source of supply.

Cash receipts and payments must be made through bank regulations and/or bank cheques issued with the non-transferability clause.

There is an obligation of all recipients:

- I. Not to accept money where there is even the doubt of its illegal/uncertain origin;
- II. Not to accept goods and/or services and/or other utilities for which there is no adequately authorised order/contract;
- III. Not to make or accept cash payments exceeding the legal limits (Payments made in more than one solution of a smaller amount but covering the same supply and resulting in total exceeding the legal limits are also relevant for this purpose).

The personnel working on behalf of the Company is finally required:

- a) To verify, as far as possible in advance, available information on users, counterparties, partners, suppliers, and consultants, in order to assess the reputation and legitimacy of the activity before establishing with them any relationship involving the obtaining of goods or money;
- b) To work in such a way as to avoid the establishment of any relationship, if there is even doubt, aimed at facilitating the laundering of money from illicit or criminal activities, acting in full compliance with primary and secondary anti-money laundering legislation and internal control procedures designed for this purpose.

## **5.9 TRANSNATIONAL ACTIVITIES AND PROTECTION AGAINST ORGANIZED CRIME.**

The Company condemns any conduct on the part of individuals who play an apical or subordinate role, both on national territory and on a transnational level, which can also only indirectly facilitate the implementation of criminal acts such as the criminal association, the Mafia-type association and obstruction of justice.

The Company undertakes to activate all methods of prior and subsequent control necessary for the purpose (verifiability, traceability, monitoring, segregation of duties, in order not to maintain relations with persons belonging to such associations.

The Company also undertakes to control any form of internal association in order to prevent the occurrence of internal associative phenomena aimed at engaging in unlawful behaviour and use the means for such purposes, resources and assets.

Finally, the Company promotes the development and legality within the territorial areas in which it operates; therefore it promotes participation in any Memorandum of Understanding (or similar pacts) defined between public entities, companies, trade associations and trade unions to prevent criminal infiltration.

Business relations must be maintained exclusively with clients, collaborators, partners and suppliers of a wide reputation, who carry out legitimate business activities and whose proceeds derive from legitimate sources. To this end, there are rules and procedures that ensure the correct identification of customers and the appropriate selection and evaluation of suppliers or partners with whom to collaborate.

All the necessary control tools are adopted so that decision-makers act and deliberate through codified rules and keep track of their work (meeting minutes, reporting mechanisms).

## **5.10 GUARDIANSHIP OF THE COMPETITION**

The Company and all Recipients undertake to comply with antitrust regulations (which prohibit conduct aimed at restricting competition) and to avoid any improper action against their commercial counterparts (sabotage, falsification of technical, commercial and accounting documents and, in general, any pattern of fraud).

The Company undertakes not to undertake in any case aggressive or deceptive commercial policies, aimed at influencing the consumer in purchasing his product through any form of physical and psychological intimidation-or by false communication on the product likely to mislead the customer.

The Company recognises and promotes the value of free competition in a market economy as a decisive factor for growth, and therefore undertakes to act in accordance with Community and national principles and laws designed to protect competition. The Company aims to protect the value of fair competition by refraining from collusive and predatory behaviour.

It is forbidden to enter into agreements with competitors on prices and on the way in which services may be provided which may be detrimental to free competition.

The Company inspires its conduct towards competitors to the principles of loyalty and fairness and, consequently, it stigmatizes and disapproves any conduct, which may constitute an impediment or disorder to the exercise or to the commerce or which may be connected to the commission of one of the crimes against industry and commerce.

The Company undertakes not to engage in any unlawful or otherwise unfair conduct with the aim to obtain business secrets, supplier lists or information relating to infrastructure or other aspects of the economic activity of third parties.

Moreover, Acciaierie Valbruna S.p.A, does not employ employees from competing companies for the only purpose to obtain confidential information, nor cause the staff or the clients of competing companies to disclose information which they cannot disclose.

## **6. PRINCIPLES RELATING TO CORPORATE MISCONDUCT**

### **6.1 MANAGEMENT OF DATA AND INFORMATION ABOUT THE COMPANY'S ACCOUNTING, FINANCE AND PROPERTY**

The Company condemns any conduct by any person committed to change the correctness and veracity of the data and information contained in the financial statements, reports or other social communications required by law, for members and the public.

All those involved in the preparation of these acts are required to verify, with due diligence, the correctness of the data and information that will then be transposed for the drafting of the above-mentioned acts.

All items on the balance sheet, the determination and quantification, which require discretionary assessments of the tasks assigned to them, shall be supported by legitimate choices and appropriate documentation.

## **6.2 RELATIONS WITH THE CONTROLLING BODIES OF THE COMPANY**

The Company requires all personnel to observe a correct and transparent conduct in the performance of their duties, especially in relation to any request made by the members of the Board or of the Statutory Auditors and other bodies in the exercise of their respective supervisory functions.

## **6.3 PROTECTION OF THE COMPANY'S ASSETS**

It shall be forbidden to engage in any behaviour, which would cause damage to the integrity of the social heritage.

## **6.4 PROTECTION OF THE COMPANY'S CREDITORS**

Any conduct, which leads to a reduction in share capital or a merger with another company or division with the aim of causing damage to creditors, shall be forbidden.

## **6.5 CONFLICT OF INTERESTS OF DIRECTORS**

Each director is obligated to disclose to the other directors and to the Board of Statutory Auditors any interest, whether on his own account or of a third party, in a particular transaction of the company on which he must decide. Such communication must be precise and on time and specify the nature, terms, origin and extent of the interest itself; It will then be up to the Board of Directors or the Board of Statutory Auditors to assess its conflict with the interests of the Company.

## **6.6 INFLUENCE ON THE MEETING OF THE PARTNERS**

It is forbidden to perform any act, simulated or fraudulent, directed to influence unlawfully the will of the members of the shareholders' meeting to obtain the irregular formation of a majority and/or a deliberation different from that which otherwise would have been assumed.

## **6.7 DIFFUSION OF FALSE NEWS**

It is forbidden to disseminate false news both inside and outside the Company, concerning the companies themselves, their employees, consultants, collaborators and third parties that operate for it.

## **7. PRIVACY AND PROTECTION OF PRIVACY**

All information and documents learned in carrying out activities in favour of the Company are confidential.

All employees are required to keep strictest confidence about information relating to the Company and/or its employees, of which they are aware.

The Company, in carrying out its activities, collects, manages and processes the personal data of employees, collaborators, customers, suppliers, consultants and any third parties in compliance with current legislation.

The Company, therefore, undertakes to ensure that the processing of personal data in the same will comply with current data protection provisions, ensuring the protection of the rights and freedoms of data subjects from the design of the processing and its means. In this regard, in fact, the Company has chosen to equip itself with a system of management and control of the risks, which derive from the treatment of personal data, and which provide, by the way, internal procedures and regulations to prevent processing in breach of existing legislation. It includes through the adoption of appropriate organisational and technical measures to limit risks and ensure a high level of security, including confidentiality, of the processed personal data.

## **8. THE ORGANISM OF VIGILANCE**

The Supervisory Body is responsible for monitoring and updating the Model of Organization, Management and Control and this Code of Ethics.

The Supervisory Body in the exercise of its functions shall have access to data and business information relevant to the performance of its activities, within the limits and with the precautions provided by current legislation on the processing of personal data.

Social Bodies and their members, employees, consultants, collaborators and third parties acting on behalf of the Company, are required to cooperate fully in facilitating the performance of the functions of the Supervisory Body.

## **9 PENALTIES**

Non-compliance with the principles contained in this Code may result in the application of the penalties contained in the Company's Disciplinary System within the limits and according to the specific modalities provided therein. The gravity of the infringement will be assessed according to the following circumstances:

- a) Actual timing and implementation of the infringement;
- b) Presence and intensity of the intentional element;
- c) The extent of the damage or danger because of the infringement for the Company and for all employees and stakeholders of the Company;

- d) The predictability of the consequences;
- e) The circumstances in which the infringement took place.

Recidivism constitutes an aggravating circumstance and the application of a more serious penalty is important.

The Disciplinary System is an integral part of the Organization, Management and Control Model adopted by the Company.

## **10 INSIDE REPORTING AND WHISTLEBLOWING**

The Company shall promote the prevention and verification of any unlawful conduct or otherwise contrary to this Code. Each person must take an active part in the promotion of the values of this Code.

Therefore, in this perspective, in case of news about possible violations of this Code and/or the operating procedures that compose the Model or other events likely to alter its value and effectiveness, each person must contact his or her responsible person. He/she will report to the competent Director or, if this is not possible for reasons of opportunity, directly to the Managing Director for the area of competence. In any case, the violation must be reported promptly also to the Supervisory Body, as required by the current procedure in the matter of information flows to the Supervisory Body.

The Company undertakes to safeguard the anonymity of the complainant who, in good faith, has notified to the Supervisory Body an unlawful conduct or otherwise contrary to this Code, which he became aware because of his relationship with the Company. Without prejudice to legal obligations and liability in respect of slander and defamation, the Company undertakes to ensure that the complainant is not subject to any retaliation, pressure or intimidation, anxieties, dismissals and any other action against his rights.

Periodically the Managing Director for the area of competence reports, also with regard to the above activities, to the Board of Directors, the Board of Statutory Auditors and the Supervisory Body.

## **11 KNOWLEDGE**

This Code is brought to the attention of the Social Bodies and their members, employees, consultants, collaborators and any other third party who may act on behalf of the Company. All these subjects are obliged to learn its contents and to respect its precepts.

Any application doubts related to this Code must be promptly submitted and discussed with the Supervisory Body.



## **12. FINAL PROVISIONS**

### **12.1 CONFLICT WITH THE CODE**

In the event that even one of the provisions of this Code of Ethics is in conflict with provisions laid down in internal regulations or procedures, the Code shall prevail over any of these provisions.

### **12.2 CHANGES TO THE CODE**

Any changes and/or additions to this Code of Ethics must be provided and approved in the same way as for its initial approval.

### **DECLARATION OF TAKING VISION**

I, the undersigned, declare that I have received my personal copy of this Code of Ethics approved by the Board on 14.12.2018.

I also declare that I have understood and accepted and I will respect the principles and rules of conduct contained in this Code.

I undertake, finally, to conform my behaviour to the rules expressed in this Code and I acknowledge the responsibilities as of now related to the violations of these rules.

Signed:

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Name and Surname printed

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Date

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