

Code of ETHICS



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1. The Code of Ethics value

The Code of Ethics has been devised by OFFICINE AMBROGIO MELESI S.r.l., hereafter "OAM", in order to:

- outline the whole of business values the company recognizes and accepts;
- define the whole of responsibilities OAM must take in the relationship with all shareholders and stakeholders.

The Code of Ethics is in line with OAM Values, Vision and Mission.

The OAM Values

Our values are the steel pillars of our history, of our present and our future. They are based on passion, devotion, respect, concreteness, reliability.

All our human resources, either shareholders, managers and employees, have the responsibility to get those values a lively and active part into the business processes in order to ensure the sustainable growth of OAM.

The OAM values are:

- ensure the customer centrality in all the activities;
- enhance the company capital of know how;
- ensure the processes effectiveness as what concerns quality and both physical and environmental safety;
- focus the sustainable growth of both OAM activities and the welfare of the communities where it is present catching the market challenges without affecting the corporate soundness and the business ethics;
- provide the required investments in order to guarantee the improvement of the technological processes and product quality, and to enlarge the range of products to be offered to the market;
- achieve differentiation in the competitive arena due to the OAM capability to provide services able to get the products to be fit for an effective and efficient use.

The OAM Vision

To be recognized as a market leader thanks to our capability in granting the customers:

- the full satisfaction of all their needs;
- the assurance that any product is made in the right way, the first time and ever;
- the delivery of competitive products in terms of quality and time;
- the assurance to provide all those services in order to get our products to be fit for an effective and efficient use.

The OAM Mission

Provide the customers all those services able to get our products to be safe, reliable, always fit for use.

The MISSION is achieved through:

- active listening to the customer's needs in terms of Quality, Design and Delivery;
- global proactive relationship with customers thanks to our international network;
- involvement of all the company resources to meet our customers' expectations in terms of quality and services.

2. The Code of Ethics application

Compliance with the Code of Ethics by all those who work for and with OAM is of paramount importance for a right running of the activities. Moreover, it is crucial for the reliability and reputation of the company as well as it represents one of the key factors for the sustainable development.

Everyone in OAM, either managers and employees as well as suppliers, is required to know and be aware of the Code of Ethics, to get a constructive contribution aimed to its implementation as well as to highlight possible shortcomings and failures.

OAM is committed to promote and facilitate the full awareness of the Code of Ethics by providing a set of information and suitable training to the employees. Moreover, OAM is committed in carefully checking the compliance to the Code by providing prevention and control tools as well as taking corrective actions if required.

OAM is also committed to promote the full awareness of the Code of Ethics among all the stakeholders – customers, institutions and social community – as well as to ask the suppliers to sign the rules therein.

3. The General Principles

The fundamental ethical principles defined by OAM have to drive the activities of all the people working and cooperating with and for the Company.

If these principles are not correctly applied, the trust and confidence relationship among the parts involved in business affairs risks to fail causing an high level of damage.

The general principles underlying the OAM Code of Ethics are:

a. Compliance with Laws and Regulations

OAM has to be in compliance with the current laws and regulations in Italy and/or in any other foreign country where it uses to operate.

b. Fairness and honesty

Respecting the principle of confidentiality, the professional relations with customers, employees, suppliers, competitors as well as with the social community and its relevant institutions must be based on fairness, honesty, impartiality and lack of any prejudice.

c. Absence of discrimination

All kind of discrimination based on age, sex, health status, nationality, race, religious beliefs, different political opinions or lifestyle must be avoided within the company and in any professional relation.

For accomplishing this purpose, the principles of equality, as per article 3 in the Italian Constitution, are considered as the leading principles.

d. Safeguarding health and safety

The safeguard of health and safety of the OAM people is considered one of the company top priority.

OAM operates in compliance with the current legislation, undertaking to germinate and consolidate a culture of safety, developing a risk awareness and promoting a responsible behaviour by all the employees, contractors and suppliers.

What is pointed out in the health and safety legislation must be considered as the minimum standard level to be implemented by all those who are engaged in the operational activities.

e. Protecting the environment

OAM undertakes to monitor and, where appropriate, to minimize the potentially harmful effects of activities on the environment in compliance with the national and regional laws. The OAM actions will be run in order to find a balance between economic initiatives and the vital environmental needs, taking care of the rights of the future generations.

f. Confidentiality and privacy

The confidentiality of information has to be granted and all the people in OAM are required to properly manage privileged information avoiding to provide confidential data. Moreover, all the people in OAM has to manage only the strictly necessary information to meet the demand, and anyhow on explicit authorization and in compliance with the current laws.

g. Interest conflicts

In any activity, must be always avoided situations where the parties involved in the transactions are, or may only appear, in conflict of interest.

h. Respect for property

The Company assets, both intellectual and material, has be used in accordance to the final use and in order to protect property maintenance and functionality.

i. Value of human resources

The value of the human resources has to be constantly protected and granted, in order to improve and increase the wealth of competences of each employee.

4. Responsibility and authority

All the decision making and implementation processes, both actual and future, have to be planned, in order to clearly identify roles, responsibilities and accountabilities.

Two aims underline that choice: the identification of any decision and action by the board allows a control of the decision making, authorization and implementation processes; the clear allocation of roles and responsibilities allows to identify any illegal behaviour.

5. Behaviour in relationship

a. Relationship with Customers

The OAM activities are driven to satisfy and protect the customers by an active listening open to welcome all the inquiries leading to an improvement in the quality of products and services as well as in the relationship with customers.

For this reason, OAM drives the activities ever targeting higher and higher quality standards. In the relationship with the customers OAM ensures correctness, clarity, transparency, availability and respect for a highly professional cooperation.

OAM will be committed to solve any disputes out of court; only when its legitimate inquiries should not find any due satisfaction, OAM will be forced to resort to litigation. Negotiation where possible conflict of interest could arise, must always be avoided.

All the negotiations must be conducted fairly, honestly and with integrity, following the highest ethical standards; current or former clients' employees must never be involved to get confidential information useful to get a commercial advantage or to cause damage to the others.

The OAM employees are required to give clients full and understandable information according to their specific roles and responsibilities.

OAM is committed to provide the widest dissemination of the Code of Ethics, in order to facilitate its knowledge by the customers and in order to stir up communication and discussion on the content.

OAM is also committed to let its employees know the content of the Codes of Ethics belonging to the main Clients, especially when those Codes deal with principles or rules not covered by this Code.

b. Relationships with suppliers.

Relationship with suppliers of goods and services are governed by the rules of this Code and are subjected to continuous and careful monitoring.

OAM ensures that its suppliers and sub suppliers operate in accordance with the principles set out in this Code.

The selection of the suppliers and the purchasing conditions are based on an objective assessment of quality and price, as well as of the capability to provide and ensure goods and services fit for satisfying the needs and the just in time.

All the suppliers have to be selected on the basis of their capability to operate in compliance with health, safety, environment, working hours and wages current rules and regulations in the origin countries.

In no case a supplier may be preferred to someone else because of personal relationship, privilege or other benefit.

The OAM suppliers are required to sign this Code of Ethics: the violation of the principles set therein gets a serious breach of contract, legally relevant according to laws.

c. Relationships with employees and contractors.

Human resources are of a paramount importance for the life, development and success of a company.

Aware of this, OAM protects and emphasizes the value of the human resources in order to improve and increase the capital of competences and skills owned by each employee in the company.

OAM respects the dignity and integrity of each employee who is required to consistently behave in coherence with the principles established by this Code.

OAM tolerates neither practices aiming at harming people's dignity or inquiries or threats aiming at inducing people to act against laws and in violation of the Code of Ethics, or acts of psychological violence and/or prejudicial or discriminatory behaviour.

OAM provides equal opportunities to all the employees on the basis of their qualifications and capabilities without any discrimination of religion, sex, race, political or trade union belief.

Thus, OAM selects, recruits, rewards and manages the employees on the basis of merit and competence criteria, according to the adopted rewarded system characterized by objectiveness and reasonableness.

Human resource policies are available by internal communication tools.

The working environment, adequate for safeguarding the employees personal safety and health, facilitates mutual cooperation and team spirit.

Employees are obliged to honestly behave in order to fulfil the contractual obligations and in compliance with the Code of Ethics.

They are required:

- to work in compliance with corporate policies and procedures to achieve the defined objectives;
- to carry diligently out their duties in order to protect the company assets by using them sparingly and carefully as well as highlighting any misuse.

OAM will be always available to encourage a continuous dialogue among employees helping, where possible, those who will be in contingent and unexpected difficulties.

d. Relationships with competitors

OAM believes in free and fair competition and drives actions in order to get relevant results able to reward capabilities, experience and efficiency. To reach those targets the OAM employees must behave properly for the company business interests.

Any action aimed at changing the conditions of fair competition must be considered as contrary to the Company policy.

In particular, the OAM employees are obliged not to be involved in collusive bidding, price discrimination or other unfair trade practices.

In no case, the pursue of the OAM interest can justify any behaviour not in compliance with laws and with the principles of this Code both by the executive board or the employees.

e. Relationship with the media and institutional relations

All the relations with media and institutions must be held only by the authorized corporate departments.

Communications outside the company must be lead respecting the right to information.

Information must be consistent, coordinated and coherent with the principles and policies of the Company; it must be complied with applicable laws, rules, practices and professional behaviour and clearly and transparently carried out.

Information about the Company and its activities must be truthful, clear and verifiable. In no case, false or tendentious information must be disseminated.

f. Relationship with the Public Administration

In dealing with the Public Administration OAM pays particular attention to any act, behaviour or agreement, in order to get them to be characterized by maximum transparency, fairness and legality.

In the relationship with the Public Administration, the OAM representatives must not keep, both directly or indirectly, behaviours influencing the counterparty decision improperly.

In particular, it is not allowed to offer employment opportunities taking personal advantage to the Public Administration employees, or to ask for confidential information that could compromise the integrity or reputation of both parties.

If OAM asks a consultant or someone else to represent on its behalf in the relations with the Public Administration, those people and their staff must be subjected to the same guidelines applied to the company employees.

Moreover, choosing those consultants, OAM must take care of expertise, honesty and competence, not including someone who relates with the Public Administration through, even indirectly, employment relationship, or close family ties.

OAM, within the compliance with applicable regulations, provides no donations, benefits or other advantages either to political parties and to trade unions, or their representatives.

g. Gifts and benefits

No kind of gift that could be misinterpreted as exceeding the normal business or courtesy practices, anyhow to gain favourable conditions, must be allowed in driving any activities related to the Company.

In particular, any kind of gifts to Italian or foreigner officials, both public and private, or to their relatives, is absolutely forbidden cause of that practice could affect the independence of judgment.

It must be underlined that the above principle concerns both the gifts promised or offered and those received. The concept of gift includes any kind of benefits (promise of job offer, of any economic benefit or more).

Subject what said before, the gifts offered to someone, anyhow not belonging to the Public Administration, must be of low profile and authorized by the Executive Board as well as properly documented.

The addressees of this Code of Ethics who will receive gifts or benefits not in line with the requirements, are asked to immediately inform the Executive Board. They will assess the suitability and eventually inform the sender of the gift about the OAM policy concerning this matter.

6. Health, Safety, Environment

All the employees, as part of their duties, have to actively participate in the process of risk prevention, environmental protection and the protection of personal, colleagues and someone else health and safety.

The OAM activities are managed in full compliance with the current regulations on prevention, protection against accidents and safety.

Compliance with current regulations include:

- achievement and maintenance of environmental authorizations;
- management, processing and storage of hazardous materials;
- monitoring, control and responsible treatment of waste generated from processing;
- development of training activities on the employees, with specific references to the availability of adequate safety equipment;
- registration of the performed training activities and monitoring of safety performance;
- development of activities to ensure that the suppliers' staff comply with the health and safety applicable regulations and drive their activities without causing damage to themselves or to someone else.

More peculiarly, in terms of safety, OAM guarantees the employees physical and moral integrity, working conditions respectful of the individual dignity and safe and healthy workplaces.

OAM is committed in the development of higher and higher safety standards in order to ensure that the activities are carried out under adequate accident prevention conditions.

OAM is committed to:

- identify all the potential negative events that could rebound to workers' health and safety by implementing activities of inspection, maintenance, task analysis, accident investigation;
- assess the risks linked to each event in terms of frequency, severity and probability of occurrence;
- develop a plan to manage risks in order to allow disposal, treatment, transfer or control;

- implement the plan by defining objectives, targets, responsibilities and required investments;
- monitor the system by measuring progress, evaluating results, and correcting any deficiencies.

OAM is also committed to disseminate and consolidate a culture of safety among all the employees, developing risk awareness and promoting responsible behaviour, even through proper instructions.

The addressees of this Code must contribute to the process of risk prevention and health and safety protection for themselves, their colleagues and others, considering the individual liability under the provisions of applicable laws.

In compliance with the current laws, an absolute ban on abuse of alcohol or drugs use and a ban on smoking in workplaces is imposed. Anyhow smoking is forbidden where it may cause danger to the company property and/or affect the health or safety of colleagues and others.

As what concerns the environmental protection, OAM undertakes to develop the activities always committed to find a balance between economic initiatives and the vital environmental needs in compliance with the applicable laws and regulations, ensuring cooperation with the public authorities responsible for monitoring, control and protection of the environment.

The addressees of this Code have to contribute to the protection of the environment, in particular, those who are involved in the production processes must be careful to avoid exhaust and illegal emissions of hazardous materials and handle the most risky processing waste according to specific requirements.

7. Information Security

7.1 Confidentiality and information processing

High confidential information are those concerning clients and people who are in professional contact with the Company. The confidentiality of data processing must be ensured by OAM through proper organizational measures.

Each employee in OAM has to ensure the confidentiality of any information acquired in performing his duties and concerning people in the company and out of it.

Each information and any other stuff the personnel is aware of, or held in, due to employment or professional relations, is strictly confidential and exclusive property of the Company.

Such information may include present and future activities, news and information not yet widespread, even if of next disclosure.

Also information and/or any other kind of news, documents or data not yet wide known and related to the activities and operations proper to each task or responsibility, are forbidden to be disclosed, used and communicated for other purposes without any specific authorization.

In any case, it is highly recommended a certain restraint about information concerning Company, business and professional activities; likewise the Company must provide the same level of confidentiality regarding information relating to the employees.

All sensitive data are processed in OAM in compliance with the requirements of D.Lgs. 196/2003.

7.2 Access for Visitors

OAM allows only previously authorized people to come in. At the reception, visitors are required to sign naming reference person in OAM.

At the reception, a personal badge is given to the visitors who are asked to show it while in the company. An info brochure pointing out the OAM safety and emergency procedures is given to the visitors.

The visitors are provided with proper personal protective equipment and must be always driven by OAM personnel while visiting the production departments.

In any case, for safety reasons, the visit time in the production departments should be as short as possible.

Leaving the plant, the visitors are required to give back the badge, the protective equipment and any document not authorized to be carried out of the Company.

8. Management and control

To ensure the reliability of the management control system and the right overview of the economic, asset, financial and operational documents, financial statements and other company documents, records must be transparent and based on truth, accuracy and completeness of information.

All the employees are required to cooperate in order to ensure that the OAM management data are recorded properly and just in time.

Each record must exactly reflect the operational data.

The employees who should be aware of any omissions, falsifications or negligence in the records or in the supporting documentation are required to immediately inform the Executive Board.

All the procedures are inspired by the basic principle that an adequate system of internal controls is a value, since the controls are a valid support in order to improve business efficiency.

Internal controls are carried out relying on all those tools useful to direct, manage and track business operations, in order to ensure compliance with the laws and procedures as well as achievement of the corporate interests and to provide careful and complete accounting and financial information.

All the employees, in their functions, are also responsible for the compliance with the rules defined by the Quality, Environment and Safety Management Systems.

9. Corporate Behaviour

OAM believes that the Company behaviour has always to be fully in compliance with national regulations and laws, by:

- protecting the decisions of shareholders;
- running always the activities in a transparent and reliable way, including those activities regarding the creditors;
- pursuing the integrity of the shareholders capital.

10. Conflicts of interest

The OAM management and employees have to avoid any situation and activity where a conflict involving the Company interests may arise and interfere or with their capability to get impartial decisions in the best interests of OAM and in full compliance with the principles and contents of the Code or, in general, with their capability to fully comply with their functions and responsibilities.

In particular, everyone has to promptly inform the Executive Board of any specific situations and activities which could be a potential area of conflict of interest.

Moreover, all the employees must avoid :

- any conflicts of interest between personal and family economic activities and their tasks within the company;
- to utilize the company assets for their own interest
- to be involved in share, in economic or financial interest relevant to the business related to suppliers, sub-suppliers, competitors and controlling third parties.

11. Implementation and commitments

The commitment of the Company is focused on achieving the highest standards of best practice in relation to its business responsibilities, ethical and social issues.

OAM undertakes the responsibility that the company business policies and expectations are understood and put into practice by all the employees.

Moreover, the Executive Board has to promote a set of actions in order to ensure that all the principles declared in the Code are implemented.

12. Monitoring

The Executive Board has the responsibility to monitor the compliance with the rules defined by the Code of Ethics by performing verifications and audits.

The Executive Board could ask people belonging to OAM or to external third parties to perform the audit.

Any non-conformity and/or any area of potential noncompliance arisen during the audit has to be notified to the Executive Board who is responsible for the management of the relevant actions.

13. Report of company rules violations and unethical behaviour

Any employee has the duty to immediately report to the Executive Board any remarks concerning a possible violation of the rules of laws, company procedures, or Code of Ethics principles.

The procedures for reporting and verification of violations are based on criteria of confidentiality to avoid any retaliation against people for having reported violations.

14. The disciplinary system

14.1 The sanctions

The disciplinary measures provided for by the applicable contract in case of actions or practices that do not comply with the prescriptions contained in the Code of Ethics are, on the basis of their gravity:

a. Conservative of employment:

- verbal warning;
- written warning;
- a fine of not more than 3 hours' pay calculated on the hourly minimum wage;
- suspension from work without pay, up to a maximum of 3 days.

b. Resolute of employment:

- Dismissal for misconduct with or without advance notice.

14.2 Criteria for defining the gravity of the sanction

The gravity of the sanction is evaluated on the basis of the following criteria:

- timing and facts related to the violation;
- presence and weight of non objective element;
- seriousness of the effects of the violation as a result of the offense for the Company, for all the employees and for the stakeholders, eventually involved;
- predictability of the consequences;
- circumstances in which the violation has taken place.

Previous disciplinary records implies an increase in the gravity definition of the negligence and the application of a more severe sanction.

14.3 Disciplinary Measures procedure

The investigation of violations, as specified below, will be different depending on the negligence is performed by people who have an employment relationship with OAM or by someone else who has business relationship with OAM.

The disciplinary measures for the employees will refer to those actions provided for the Italian Law no. 300/1970 (Statuto dei Lavoratori) and the National Collective Labour Agreement in force.

a. Disciplinary Measures towards employees

Actions or practices that do not comply with the prescriptions contained in the Code of Ethics by the employees constitute breach of the obligations arising from employment relationship: in this case OAM has the right to apply disciplinary sanctions.

The sanction will be applied in accordance with the provisions of the Act and the National Collective Labour Agreement. The sanction applied will be proportional to the gravity of the negligence.

The Executive Board has the responsibility to investigate the negligence, to manage the disciplinary actions and to define the sanctions.

This Code is displayed on company notice boards and published to all employees of the company. In addition, specific initiatives are focused to ensuring that supervisors, office staff and manual workers are informed of the Code as requested by the Italian Law 300/70 (Statuto dei Lavoratori).

b. Disciplinary Measures towards managers and members of the board

Actions or practices that do not comply with the prescriptions contained in the Code of Ethics by the managers, will be assessed by the Company, who will take appropriate action against those responsible under the provisions of the law and applicable Collective Bargaining Agreement, considering such violations as a breach of obligations deriving from the employment relationship.

c. Measures towards contractors, consultants and other third parties

Any actions or practices by contractors, consultants or other third parties, that are connected to OAM by a non-employment contract, that do not comply with the prescriptions contained in this Code may result, in the worst case, in the termination of the contract. If such actions or practices produce a damage to the Company, OAM may ask a compensation for the damage, independently by the termination of contractual relationship.

15. Validity

This Code of Ethics is valid since the date of its approval, March 2nd 2012, up to its next possible revision.

The English text is a translation of the Italian official "Code of Ethics".

For any conflict or discrepancies between the two texts the Italian text shall prevail.



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