



Farid Industrie S.p.A.

CODE OF ETHICS

1. ETHICS

Farid operates its internal and external activities in compliance with the principles set forth in the Code of Ethics, which must be observed by all the Recipients, acknowledging that the success of Farid can not leave aside the respect of ethics in the management.

The inspiring features of the Code of Ethics are based on the principles of legality, legitimacy, fairness and transparency in the management of the Company, and such principles must be observed by all the Recipients in the exercise of their respective competences and offices.

The Code of Ethics, which constitutes integral and essential part of the Model, has been provided in order to introduce and make binding, for the Company and the individual Recipients, some rules of conduct which shall prevent the perpetration of Relevant Crimes, and in order to reward the action and the care taken by Farid in the conduct of its business, so as to not be considered liable for eventual illegal behaviours realized inside the Company, in breach of the rules provided by the Code of Ethics.

Therefore, the Recipients may never suppose to be authorized to act in breach of the specific rules set forth in the Code of Ethics, neither if such action aims at obtaining an advantage or at purporting an interest of Farid; for such purposes, the Code of Ethics does not substitute, but only integrates, the laws adopted by the competent authorities. In the event that an action contrary to the Code of Ethics shall be taken by any of the Recipients, the executor of such action shall be deemed as the sole responsible, remaining Farid out of any involvement.

2. LEGALITY

Farid and the Recipients run their business in full compliance with the Italian and the European Union Laws, and with the laws of all the States where they operate.

All the Recipients are required to know and observe the national and communitarian laws regulating their respective area of competence and the codes of ethics and conducts of their specific professional figures. Any decision taken in these areas must fully comply with the applicable laws and, in case of uncertainty about their interpretation, the Recipients are obliged to address the Surveillance Body and to comply with its decisions.

Furthermore, the corporate bodies and all the Recipients are required to strictly comply with the Company procedures provided for by the Model and with the rules set forth by the Code of Ethics.

3. OBJECTS

Satisfaction of the customers and excellence in the creation of returns for the shareholders and the investors are primary objects for Farid.

These targets are pursued, both during the decisional and the operating phase, through a constant attention to the efficient employment and allocation of the resources, which is evident

in the planning of the best industrial, commercial and financial strategies, characterized by clarity, reliability and fairness.

4. CONDUCT IN THE COURSE OF BUSINESS

In pursuing the objects set out in the previous article, and more in general, in carrying on their professional activities, the Recipients are required to comply with the rules set forth in this article 4.

The Recipients must comply with both the regulations of the national and international environments where they operate and with the universal criteria of transparency, fairness and loyalty in the conduct of business.

The Recipients must strictly avoid to purport illegal and unfair actions against the community, the public authorities, the clients of Farid, the employees, the shareholders and the competitors, aimed at pursuing own objects which, on the contrary, must be pursued only by the maximization of the performances, the care of the client, the search of the quality and convenience of the Company's products.

Save as where ordered by the laws or by the public authorities, the Recipients must keep all the confidential information they may be aware in the exercise of their functions and relating to Farid, its customers, its suppliers and its competitors, as strictly reserved.

5. HUMAN RESOURCES POLICY

Human resources are an essential element for the success of the Company: therefore Farid enhances the employees' skills and capabilities, supports their expertise and professionalism, protects their safety and the health of the work place, and protects and recognizes their rights, included the right of privacy.

Farid, in accordance with the relevance which recognizes to the human resources as fundamental elements for its success in the market, selects each employee exclusively according to the Company's needings, and on the base of the professional skills and personal profiles of the candidates, totally respecting the equal work opportunities and the valorization of the highest professional standards. In order to guarantee a constant improvement of the employees' skills and potentials, Farid deems it fundamental, in order to reach its objects, to pursue the professional formation and knowledge of all the employees, at any level, in favour of the development of the individuals and of the entire Company.

In the management of the human resources, Farid strictly follows a policy based on the equal opportunities and treatment, avoiding any kind of discrimination and favoritism, and basing its evaluations of the employees' work and professionalism solely on the merit, giving to each employee and/or partner real, serious, concrete, reachable and measurable targets, also in order to verify the single performances and fairly recognize the contribute of the individuals, according to clear and transparent criteria.

Farid supports and encourages the reciprocal respect, trust and loyalty in the relationships both between the employees, and between the employees and the Company's managers,

acknowledging that a serene and collaborative work environment is an essential condition for the profitable conduct of the business.

All the Recipients must undertake to do their works, in relation to their specific function, in the exclusive interest of Farid, avoiding any situation or position of conflict of interest which could damage the professional collaboration and the mutual trust. If a conflict of interest arises, each individual is required to immediately communicate it to his direct superiors, in order to deal with this circumstance in an optimal and profitable way, respecting all the interests involved.

6. PROTECTION OF SHAREHOLDERS AND INVESTORS

Farid guarantees to its shareholders to pursue the objects set out in article 3, to treat them in an equal way, avoiding any sort of favoritism or preference for any classes of shareholders or investors.

Farid protects the patrimonial integrity and safety of all its investors, taking the greatest care to the accuracy and transparency of the financial and accounting management of the Company, and through the implementation of efficient strategies for the reduction of the risks.

Farid takes the greatest care in order to guarantee that the Recipients who hold decisional positions within the Company strictly avoid any kind of conflict of interest, even if potential, with Farid.

7. PROTECTION OF CUSTOMERS

Care of customers and their constant satisfaction are considered extremely important elements by Farid, and therefore it acts fairly and in *bona fide* in the drafting of contracts, always guaranteeing excellent standards in the supply of products and services, requiring to its employees high professionalism and skills, and managing the relationships with the customers with great loyalty and equity.

Farid has always based its relationships with the customers on the total loyalty, *bona fide*, equity and transparency, both during the negotiation and the execution of the contracts, avoiding any abuse of eventual dominant positions aimed at imposing imbalance and oppressing conditions, firmly believing that the success of Farid solely derives from its performances and from the total satisfaction of the customer.

Therefore Farid guarantees to its customers, together with the quality and convenience of its products and the experience of its employees and partners, constant assistance and helpfulness, correctness and kindness by all the Recipients in the exercise of their commercial relationships and at any level.

Furthermore, Farid carefully protects the right of privacy of its customers, obliging the Recipients to keep any sort of information regarding the customers and acquired in their function of employees or partners of the Company, as strictly confidential, in compliance with the regulation of this matter.

8. PROTECTION OF ENVIRONMENT

Farid is aware of the crucial importance of some values as the environmental protection and the sustainable development aimed at protecting the next generations.

Therefore the Recipients are required to carefully weight the environmental impact of their choices and decisions and to minimize their negative effects.

Furthermore Farid, through a continual investment in the research and development, constantly motivates the Recipient to find new and more advanced solutions to reduce the environmental impact connected with the use of its products.

Within the negotiation and the execution of the contracts and, more in general, during its whole operations, Farid pays particular attention to (i) use processes, technologies and materials which allow the greatest reduction of natural resources' use and waste and which have the minimum environmental impact; (ii) minimize the wastes though the reuse and recycle as far as possible; (iii) guarantee the warehousing and the correct waste disposal; (iv) make its employees and partners more aware of the environmental protection, though clear conduct rules and an appropriate policy of information and formation.

9. RELATIONS WITH THE COMMUNITY

The Recipients are required to make the greatest efforts to realize the full integration of Farid with the local entities where it operates.

By respecting the mutual autonomy and independence, Farid promotes the economic development, the progress and the valorization of the local entities, respecting their individual characteristics and basing its business on the consent and prestige of the Company as a whole, considered as fundamental values for its success in the market.

10. RELATIONS WITH THE PUBLIC AUTHORITIES

The Public Administration is the set of private and public entities which are in charge of a "public function" or a "public service".

For "public function" we mean, generally and approximately, all the activities regulated by public laws; while, for "public service", we mean, briefly, every activity for the production of goods and services of general interest, subject to the state control and aimed at guaranteeing the fundamental rights of the person.

The relations between Farid and the Public Authorities and local Public Bodies, both national and super national, are based on full collaboration and transparency. The Recipients are strictly prohibited, unless legally allowed, to give to the Public Authorities, the Public Bodies and the Public officers and employees any sort of contribution, benefit, avails or gifts.

In the course of business negotiations, calls of tenders and any kind of relation with the Public Authorities and the Public Bodies, both if directly conducted by Farid and if conducted by intermediaries, the Company undertakes not to influence in any unlawful or improper way the

relevant decisions, and to avoid the following behaviours: (i) to propose job opportunities or personal benefits, commercial or of any other kind, and to offer gifts or favours; (ii) to obtain and use confidential information which may damage the mutual integrity and reputation; (iii) to act in a way which may cause illegal, unlawful or preferential behaviours in damage of the transparency, impartiality, loyal competition and the action procedures and conditions required to the public subjects.

The Recipients must cooperate with the Public Authorities using the greatest loyalty and *bona fide*, and must promptly and correctly provide them with all the information eventually required in compliance with the applicable regulation, concerning Farid's operation, its economic, financial and accounting situation, its relations with the employees, the partners and the competitors.

Save as provided for by the laws concerning the "union deductions" (for Italian Laws purposes "*trattenute sindacali*"), Farid does not support or benefit, neither indirectly through the Recipients, any party, politic organization and/or committees, union trade and their candidates or representatives.

11.COMPLIANCE WITH THE CODE OF ETHICS

All the Recipients are obliged to the knowledge and observation of the rules provided for by this Code of Ethics of which Farid guarantees the internal and external circulation.

Farid asks its employees and partners, and any third person entertaining more or less occasional relations with the Company, to notify the relevant responsible both of the Company and of the Surveillance Body, expressly created in compliance with the Decree, with any violation of the obligations set forth by the above articles eventually carried out by the Recipients.

The compliance with the rules provided for by the Code of Ethics must be deemed as an essential part of the contractual obligations arising from the employment or partnership relationship with the Company and of the execution and development of the foreign relations.

Furthermore, Farid favors and supports the communication to the Surveillance Body, by the subjects mentioned in the previous paragraph, of eventual disorders in the Code of Ethics or in the Model.

12.SANCTIONS

The Recipients who act in breach of this Code of Ethics shall be subjected to disciplinary sanctions, in addition to those provided for by the criminal, civil and administrative laws potentially applicable.