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Code of Ethics

pursuant to Lgs. Decree no. 231/01

The Code of Ethics has been drawn up based on the Guidelines for the construction of Organisational, Management and Control Models issued by Confindustria, approved on 07 March 2002, and updated in March 2014

INDEX OF REVISIONS*

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**The "SYSTEM 231" documents are available on the Company server.*

Please note that not every hard copy may have been updated.

Therefore, please check the revision status.



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CONTENTS

1 INTRODUCTION.....	3
1.1 PURPOSE AND RECIPIENTS.....	3
1.2 MISSION AND COMPANY VALUES.....	3
1.3 RELATIONS WITH STAKEHOLDERS	3
1.4 THE VALUE OF THE COMPANY'S REPUTATION AND CREDIBILITY	3
1.5 CONTENTS OF THE CODE OF ETHICS	4
2 MINIMUM CONTENTS.....	4
2.1 INTENTIONAL CRIMES:.....	4
2.2 INTENTIONAL CRIMES:.....	5
3. DISCIPLINARY SYSTEM.....	5
ANNEX 1.....	6
ETHICAL POLICY.....	6
ANNEX 2.....	10
VALUE CHARTER.....	10

1 INTRODUCTION

1.1 PURPOSE AND RECIPIENTS

This Code of Ethics contains the essential Guidelines applied by the Company.

The implementation of ethical principles for the purpose of preventing crimes, as per Lgs. Decree no. 231/2001 is an essential element of a “*preventive control*” system, These principles have been included in this Code of Ethics.

In general terms, Codes of Ethics are official Company documents containing the rights, duties, and the responsibilities of the Company towards “stakeholders” (employees, suppliers, customers, Public Administration, shareholders, financial market, etc.).

These Codes aim to recommend, promote, or prohibit certain conducts, beyond and independently of that stated at regulatory level, and they may also include sanctions set in proportion to the seriousness of any violations committed.

Codes of Ethics are documents required and approved by the top management of the company

1.2 MISSION AND COMPANY VALUES

As part of its activity, the Company has identified certain reference values that can orientate the conduct of all people acting on its behalf, in order to guarantee correctness in conducting business and company activities, and to protect the heritage and image of the Company, as well as the expectations of all interlocutors of reference.

Honesty, correctness, integrity, transparency, impartiality, confidentiality, respect and protection of the environment, and safeguarding health and safety in the workplace are values that characterise Company actions as well as representing the essential values for achieving its economic, production and social aims.

1.3 RELATIONS WITH STAKEHOLDERS

The Code aims specifically to target Company conduct towards the cooperation and trust of stakeholders, i.e., those categories of individuals, groups and institutions whose contributions are necessary for the achievement of the company mission and/or whose interests are directly or indirectly influenced by Company activities.

1.4 THE VALUE OF THE COMPANY’S REPUTATION AND CREDIBILITY

Reputation and credibility are essential intangible resources. The good reputation and credibility of a company boost investment, relationships with local institutions, customer loyalty, the development of human resources, and the correctness and reliability of suppliers.

When performing any company activity, conduct that is not based on ethics will adversely affect the relationship of trust between the Company and its stakeholders.

Non-ethical conduct is understood as being conduct in breach of laws and regulations as well as behaviour that contrasts with internal regulations and procedures.

1.5 CONTENTS OF THE CODE OF ETHICS

The Code of Ethics consists of:

-  Policy of Ethics (Annex 1)
-  Charter of Values (Annex 2).

2 MINIMUM CONTENTS

For the purposes of better understanding the following section, it may be of use to examine the **Minimum contents of the Code of Ethics (or conduct) with regard to intentional crimes or negligence as envisaged in Lgs. Decree no. 231/2001.**

2.1 INTENTIONAL CRIMES:

· The essential principle of the Company is compliance with current laws and regulations in all countries in which it operates.

Every Company employee must undertake to comply with the current laws and regulations in all of the countries in which the Company operates.

This undertaking shall also apply to consultants, suppliers, customers, and anyone else who has relations with the Company. This latter will not commence or proceed in any relationship in which the other party does not intend to comply with this principle.

· Every operation and transaction shall be correctly recorded, authorised, verifiable, lawful, consistent and appropriate.

All of the actions and transactions of the Company must be suitably recorded, and it shall be possible to check the decision-making, authorisation and performance processes.

· Basic principles regarding relations with company interlocutors: Public Administration, public employees and, in the case of concessionaires of public services, private commercial interlocutors.

Unlawful payment/donation of benefits directly to Italian entities or to the employees of same, unlawful payment/donations made through persons acting on behalf of said entities, either in Italy or abroad, are considered acts of corruption.

It is not permitted to offer money or gifts to directors, officers, or employees of Public Administration or to family members of same, whether from Italy or other countries, unless these gifts or benefits are small in value (euro 100.00).

There may also be bans linked to the employment of ex-employees of Public Administration (or the family members of same) who have taken part, actively and personally, in negotiations or relations.

Any breach (effective or potential) committed by the Company or by third parties, must be duly reported to the competent internal function.

2.2 INTENTIONAL CRIMES:

The Company clearly states and makes known, through a formal document, its fundamental principles and criteria, on the basis of which decisions of all types and levels concerning health and safety in the workplace are taken.

These principles can be summarised as follows:

- a) to eliminate risk and where this is not possible, reduce it to a minimum with regard to knowledge acquired based on technological advances
- b) to assess all risks that cannot be avoided
- c) to reduce risks at source
- d) comply with ergonomic principles and health in the workplace, in the organisation of work, the concept of the workplace, the choice of work tools and the definition of work and production methods, in particular, for the purposes of reducing effects on health of work that is monotonous or repetitive;
- e) to take into account the degree of development in technology.
- f) to replace anything dangerous with something which is not dangerous or at least, is less dangerous;
- g) to schedule preventive and protective measures considered appropriate to guarantee improvements to levels of safety over time, including the adoption of codes of conduct and good practice;
- h) to give priority to collective protective measures as against individual protective measures;
- i) to give suitable instructions to workers.

These principles are used by the Company to take the necessary measures to protect the health and safety of workers, including the activities for prevention of professional risks, information and training, as well as the preparation of an organisation and the necessary resources.

The whole Company, both at the highest and operational levels, must abide by these principles, especially when decisions need to be taken or choices need to be made and, following this, when the same need to be implemented (see art. 6. Subsection 2, lett. b), of Lgs. Decree no. 231/2001).

3. DISCIPLINARY SYSTEM

Failure to comply with the Code of Ethics and anything else set down in the Organisational Model (including Protocols and reports) requires the introduction of an appropriate system of sanctions for this breach, as well as the procedures envisaged, since breaches can damage the relationship of trust established with the Company¹ and as a result, must involve disciplinary actions, regardless of any establishment of a criminal prosecution in cases where the conduct is a crime.

¹ Cfr. articles 2104 and 2105 of the Italian Civil Code: obligations for diligence and loyalty of the worker towards his or her Employer.

As a result of their disciplinary application, the Code of Ethics and Protocols, for which failure to comply is subject to sanctions, are expressly included in the company's disciplinary regulations or in any case, formally declared to be binding for all recipients of the Model (e.g. via internal circular or a formal communication). They are also displayed, as envisaged in art. 7, subsection 1 L no. 300/1970 "by affixing in a place accessible to all", explicitly highlighting the sanctions linked to the different breaches.

The general principles of the Company's Code of Ethics reflect the values in which the Management firmly believes, and they are mentioned in the Ethical Policy circulated to all of the Company *stakeholders*.

The Ethical Policy and the Value Charter provided in annexes to this document are an integral part of the Organisational Model.

ANNEX 1

Introduction

The law ⁽²⁾ has denied absolving effect to Organisational Models without express breakdown of disciplinary sanctions, in particular regarding top-level subjects.

In confirmation of the above with reference to **Organisational Models**, and pursuant to Lgs. Decree no. 231/01 and Art. 2392 of the Italian Civil Code "Responsibility towards society", the Legal Representative of the company is obliged to abide by same and to ensure that it is **effectively implemented** ⁽³⁾.

ETHICAL POLICY

The general principals of the Company Code of Ethics reflect the values in which the Management firmly believes and are referenced in the Ethical Policy, which is circulated to all Company *stakeholders*. Both the Ethical Policy and the Value Charter are an integral part of the Organisational Model, compliant with Lgs. Decree 231/01.

The Company Management has prepared an Organisational Model that allows all employees and collaborators to be aware of their rights and of the correct allocation of duties based on experience, skills, and suitability. It has also prepared the Protocols of which all those responsible and concerned with the compliance with same have been informed.

The Ethical Policy promotes conduct inspired by the guiding values summarised in the Value Charter, both inside and outside the Company.

Principles

The Company expects all of its members to abide by the following ethical principles:

- human dignity in all its forms, together with racial, ethnic, national and religious equality;

² Cfr., among others, Milan Court, 20 September 2004.

³ As reiterated by the sentence of the Milan Court, Section VIII Civil of 13 February 2008, no. 1774

- care and protection of the health and of the physical and mental well-being of its workers and collaborators;
- correctness in business relationships with suppliers and customers;
- transparency in relations with Public Administration and/or supervisory and control bodies in all forms and expressions of same.

Validity, enforceability and promotion of the Ethical Policy

The Ethical Policy applies to the Directors and employees of the Company. The Company also works to ensure that customers, suppliers, and all external collaborators conduct themselves in accordance with the rules of conduct in said Policy.

The Ethical Policy, as defined in this document, is valid in Italy as well as abroad; the methods for implementing the principles of same take care to respect the cultural, economic and social differences of the different countries in which the Company operates.

Internal and external stakeholders are made aware of the Ethical Policy using the most suitable means, compliant with the regulations and local uses in the different countries.

These communication methods include, for all employees, delivery of this document (and any future updates), and the relevant proof of receipt. For Company collaborators, the Ethical Policy is available at the company Intranet address, while for all others concerned, it can be consulted freely on the company website.

The behavioural standards contained in the Ethical Policy are complementary to the legal provisions, regulations and organisational communications that are valid in the different systems.

Behavioural standards

Compliance with laws, regulations, and company procedures.

In the running of its business and management of its internal and external relations, the essential principle for the Company is compliance with laws, regulations and any other statutory requirement in force in the countries in which it operates - including "System 231".

Every employee is obliged to comply with the principles in the Ethical Policy, as well as to abide scrupulously by all regulations, statutory requirements and internal procedures adopted by the company and of which they are informed.

The Company gives primary importance to the full performance of the provisions set down in Legislative Decree no. 231 of 8 June 2001 "Rules on the administrative liability of legal entities, companies and associations, including those without legal status, pursuant to Art. 11 of Law no. 300 of 29 September 2000" and all subsequent amendments and integrations thereof.

For this purpose, the Company has prepared and implemented an "Organisation, management and control model" in line with the provisions contained in Legislative Decree 231/01.

Internal Relations - Protection of workers' rights and dignity

A primary value for the company is respect for human rights in general, protection of working conditions and the safeguarding of workers' and in particular, collaborators' physical and mental well-being.



Relations among colleagues who operate, at any level in the company hierarchy, and in all situations (national or internal) of the Company must be based on mutual respect, transparency, correctness and good faith, without discrimination in terms of sex, nationality, religion, uses or customs.

Line managers are expected to set an example to their collaborators.

Behaviour that does not comply with the principles set down in this Ethical Policy shall be identified in good time, and punished in line with the regulatory requirements and rules in place regarding employment.

Confidential information - Privacy

In compliance with the applicable legal provisions, the Company guarantees confidentiality with regard to the information in its possession or of which it is made aware.

Privacy is an inalienable right for all collaborators and employees and as such, it shall always be complied with and harmonised with company provisions to protect and safeguard the heritage, know-how and image of the Company.

Loyalty and Conflict of Interest

Each employee or collaborator of the Company, at any level and in any role, is obliged to behave loyally and correctly towards the company, undertaking to operate without conflicting interests in the performance of his/her tasks and in the management of the operations and/or transactions for which he/she is responsible.

Assets owned by the Company:

Company property

All material property held or owned by the Company, or which the Company has the right to use, and which are made available to employees for the performance of their working activities (for example, hardware, software licences, email, telephones, vehicles, machines, systems, etc.).

Company property, unless otherwise expressed, must be used solely for work purposes and are never for personal use.

Intellectual Property

Exclusive Intellectual (or Industrial) Property rights of which the Company has the most ample use, consist of all technical information, know-how, patents, trademarks, writing or anything else realised by the Company and/or employees as part of their professional activity in or on behalf of the Company.

Gifts and Tributes

No form of gift is permitted if it can be considered as exceeding standard business practices or courtesy (and in any case, no more than a modest value, which is set at euro 150.00) or interpreted as aimed at acquiring preferential treatment in the conducting or any activity that may be linked to the interests of the Company or its **Stakeholders**.

External relations:

Customers/Principals

Relations with Customers/Principals must aim at excellence in the realisation of works, in terms of service, and quality; they must be based on the principles of transparency, correctness and good faith; they shall comply with market regulations and the rules of competition.

Suppliers

The selection of Suppliers and the negotiation process shall take place with full transparency, compliant with the regulatory requirements applied in the different Countries, and they shall also abide by strict parameters governing competitiveness, objectivity, correctness, price and the quality of the goods and services.

Public Administration

Relations with Public Administration can be managed exclusively by company functions delegated to this role and authorised for same; these relations shall:

- be based on transparency, correctness, independence, and impartiality;
- respect the regulatory requirements in the different countries;
- guarantee certainty in the communication methods, in order to avoid any incorrect interpretation in the reconstruction of the processes followed.

The same principles shall be applied by all those responsible for company and social communication.

Policy for Health and Safety and the Environment

Respect for health, for individual and collective safety, and for the environment are essential, mandatory principles of the Company and the entire Management; the achievement of these aims must direct all Company decisions and guide the individual behaviour of all employees and collaborators.

Industrial development shall be “sustainable”, balanced, responsible, and appreciated by the social community.

The Code of Ethics sets out the commitment of company top management to comply with current environmental legislation and implement preventive measures to avoid or at least minimize, any impact on the environment.

Relations with Shareholders

The Company, aware of the important role of its Shareholders, undertakes to provide accurate, truthful, and prompt information to same and to improve the conditions of their participation, within the sphere of their respective prerogatives, in company decisions.

The Company undertakes to safeguard and increase the value of the business, regarding the commitment of Shareholders, with their investment and to safeguard and protect company resources and property.

Specifically, the Company undertakes to ensure regular participation of Directors at Shareholders’ meetings, as well as to guarantee the orderly and efficient manner of same.

Contractual value of the Ethical Policy

Compliance with the regulations in the Ethical Policy shall be considered an essential part of the contractual obligations of all employees, pursuant to all applicable regulations.

ANNEX 2

VALUE CHARTER

INTERNAL VALUES OF REFERENCE	MEANING OF VALUE (EXPECTED CONDUCT)	
	POSITIVE	NEGATIVE
Determination and conviction	Being a stimulus and example in supporting the company mission/vision, even when faced with difficulties.	Accepting compromises for a quiet life and/or indifference
Respect and trust	Considering differences in opinion and character, always putting oneself on the same level in human terms. The only differences lie in different responsibilities.	Thinking one always knows more than the others.
Transparency and honesty	Speaking clearly and without deception to people and not talking about them.	Doing the opposite of what one says.
Tendency for continued improvement	Finding new stimuli from achievements and comparison with colleagues.	Limiting oneself to doing what is strictly necessary
Reliability and consistency	Keeping to commitments made, even at a cost.	Not keeping to commitments made.
Commitment and dedication	Putting one's heart into one's work, making an effort.	Focusing only on one's own tasks.
Simplicity and integrity	Thinking, keeping things simple, and aiming for the essence and for results.	Focusing on the task and not on the result.
A taste for challenge	Thinking that normal people, together, can achieve exceptional things.	Saying "impossible" before even considering the situation.
Taking responsibility	Bringing personal initiative to make up for company shortfalls and/or dysfunctions.	Doing nothing, except focusing on one's own task.
Equality	Respecting all types of diversity (e.g. religious, racial, ethnic, language, sex, etc.) and human dignity, and guaranteeing equal rights and opportunities.	Discrimination, instigation and incitement to racism.

Place and date

Signature to attest reading and acceptance _____