



Company Code of Ethics
01/09/2017

I - Background & introduction

KUPRAL SPA is a precision machine shop, aluminium and bronze foundry offering its services to current and future customers.

Company operations are carried out by internal personnel, external consultants and companies providing goods and services. Being mindful of these relationships and the resulting responsibilities, in addition to safeguarding public/private customers and their needs, are all part of the corporate culture at KUPRAL SPA. With this voluntary code of ethics (hereinafter the Code), the Company aims to summarise the fundamental principles and rules of conduct that directors, managers, employees, consultants and suppliers are held to observe in their business operations with the company, when carrying out their respective duties, and in external/internal relationships.

II - Validity of the Code

1.- Compliance with the Code is an essential part of employees' contractual obligations in accordance with article 2104 of the Italian civil code, constituting the principles and contents of the Code outlining requirements of diligence, loyalty and goodwill in carrying out work duties, and helping to define their satisfactory completion. To this effect, every employee must sign a statement confirming receipt of a copy of the Code, and agree to comply with its contents. A similar statement must be signed for any Code amendments.

2.- The Code must also be observed by regular consultants and suppliers of machinery and services who have access to the KUPRAL SPA IT network for any reason, and they must confirm having received a copy of the Code in writing, and agree to adhere to its principles.

3.- The Code is brought to the attention of other suppliers, consultants and third parties involved in KUPRAL SPA business operations, who are asked to comply with its principles and code of conduct.

III - General principles

1.- KUPRAL SPA proposes to operate its business in line with principles of sustainable development, to meet the needs of today's generation without compromising the potential for meeting those of future generations. In particular, the company pursues economic efficiency without jeopardising social and environmental development.

2.- KUPRAL SPA promotes and defends immutable human rights, and rejects any discrimination in external/internal relationships that is based on gender, ethnicity, language, religion, political affiliation, sexual orientation or other personal/social characteristics.

3.- KUPRAL SPA operates in strict compliance with national and international legislation applicable in Italy and any other country where the company operates, and is aware that compliance with ethical principles is essential for preventing unlawful behaviour in general, and the offences relating to legal entities as per legislative decree no. 231 of 8 June 2001. To this effect, the rules of conduct set out in the Code constitute a standard reference to be observed by recipients when carrying out the sensitive company operations referred to in the aforementioned decree, and in relationships with stakeholders, especially government departments and public employees.

4.- KUPRAL SPA also adheres to principles of integrity and transparency, and only participates in suitably authorised operations and transactions that are compliant, coherent and reasonable. KUPRAL SPA firmly rejects corruption as a method for conducting business, be it the promise or provision of money or other benefit to obtain undue services, or the request or receipt of money or other benefit to carry out undue services.

5.- As a company operating on behalf of third parties, KUPRAL SPA is aware of the importance of intellectual property and protects it in its various forms, in particular patents, trademarks, industrial and commercial secrets and know-how in general.

6.- KUPRAL SPA recognises that fair competition is essential for business development, and at no time participates in actions or conduct contrary to fair and open competition.

7.- The firm belief of acting to the benefit or in the interests of KUPRAL SPA cannot justify conduct that is contrary to the guiding principles of the Code.

IV - Relationships with customers

1.- KUPRAL SPA defines a customer as anyone using the company's aluminium or bronze production services.

2.- KUPRAL SPA does not discriminate between customers without substantive reasons, and relationships with customers are based on goodwill, professionalism and integrity, in addition to the main principles of this Code regarding human rights, financial integrity, protecting intellectual property and fair competition.

3.- In the belief that customer satisfaction is paramount for good relationships with customers, KUPRAL SPA develops procedures and tools to verify and assess satisfaction levels, and to enable prompt action to effectively restore previous levels as required. KUPRAL SPA responds to customer observations, requests and complaints promptly and unambiguously.

4.- KUPRAL SPA adopts all measures required to ensure that customer details are processed in accordance with legislation, and remain confidential as specified in customer instructions. KUPRAL SPA only uses information obtained strictly in relation to business relationships, and does not undertake any insider trading behaviour.

Similarly, the company maintains the confidentiality of any technical or business information obtained in the course of relationships with customers.

5.- KUPRAL SPA pursues technological innovation in its business to anticipate market requirements and meet customer needs. For this purpose the company allocates dedicated resources to analysing and developing new techniques and solutions, and provides company personnel with ongoing training to ensure staff are familiar with the most innovative solutions and operating techniques, and know how to apply them correctly.

6.- KUPRAL SPA guarantees the safety of the products provided for customers, by ensuring strict compliance with legislation and technical standards, and implementing suitable control procedures.

7.- KUPRAL SPA refrains from deceptive, aggressive or improper practices in publicity and business communication with customers, ensuring that clear, comprehensive information on company's business services is provided.

8.- KUPRAL SPA carefully assesses the feasibility of the services requested by customers with regard to legislative, technical and economic conditions, and does not enter into contracts that mean the company has to compromise service quality or the safety of products and services. In particular, the company's main objective is to make products with features that ensure high quality levels and durability.

V - Relationships with suppliers

1.- A KUPRAL SPA supplier is a retailer/manufacturer/service provider of products and/or product parts destined for processing/incorporating in products made by KUPRAL SPA.

2.- KUPRAL SPA selects suppliers on the basis of product/service quality, cost, business/technical reliability and delivery timescales, using these as a basis for compliance in the treatment of present and future suppliers. In particular, suppliers are selected and authorised in relation to services that concern the work process quality of products made by KUPRAL SPA.

3.- KUPRAL SPA undertakes to safeguard the health and safety of suppliers and their employees/contractors who may occasionally operate on KUPRAL SPA premises in line with legislation, and calls on suppliers to respect the rights of workers and adhere to child employment legislation.

4.- KUPRAL SPA uses specific procedures to impartially and transparently assess the reliability and suitability of each supplier, the cost-effectiveness of proposals, guarantees of support, and the timeliness of services.

5.- KUPRAL SPA bases the company's relationships with suppliers on loyalty and integrity.

VI - Relationships with employees

1.- A KUPRAL SPA employee is anyone with a contract of employment agreed with the company to achieve its business purpose.

2.- KUPRAL SPA does not discriminate between employees on the basis of gender, age, ethnicity, religion, political affiliation, sexual orientation or other personal/social characteristics. In particular, the company encourages and fosters equal opportunities between men and women. Personnel are selected on the principle of non-discrimination in accordance with actual, specific company requirements and the professional requisites of the post.

3.- KUPRAL SPA fosters a working environment that ensures the dignity of every individual, and where relationships between people are built on respect, honesty, integrity and collaboration. In particular, KUPRAL SPA does not participate in actions or conduct not stipulated in collective or individual contracts, and respects the personal dignity of employees and collaborators when exercising powers of authority and hierarchy, avoiding any form of abusive treatment.

4.- KUPRAL SPA develops the skills, potential and commitment of all individuals and assesses them equally, including for work organisation purposes.

5.- KUPRAL SPA complies with all legislation, regulations and technical standards on health and safety in the workplace, and uses suitable monitoring systems to implement general principles to eliminate risk, assess unavoidable risk, adopt protection measures at source, select workstations and equipment, plan prevention to create a holistic approach that incorporates technology, work organisation, work conditions, social relationships and the influence of factors in the work environment, prioritise collective safety measures, and provide personnel with suitable instructions and information.

The company management system holds ISO 9001:2015 certification from the RINA accreditation body.

6. - When processing employees' personal data, KUPRAL SPA operates in strict compliance with legislation, excluding any type of surveys on ideas, preferences, personal tastes and private lives of employees.

7.- Directors and employees pursue the aims and interests of KUPRAL SPA when carrying out their respective duties. As a result they are held to notify, in writing and without delay in consideration of the circumstances, their line managers or representatives about situations or activities in which they, second-degree relatives or cohabitants may have interests in conflict with those of KUPRAL SPA, or any other case with reasons of convenience, undertaking to comply with decisions made by KUPRAL SPA (by way of example but not limited to: activity in competition with KUPRAL SPA, financial relationships or family relationships with suppliers, consultants, customers etc.). Suitable documentation will be held in relation to the knowledge and authorisation of conflicts of interest.

8.- KUPRAL SPA directors and employees may only accept gifts from customers and suppliers if they are of a symbolic nature and therefore cannot even generally elicit favourable treatment. The management of KUPRAL SPA reserves the right to decide how gifts are allocated and distributed among personnel.

9.- Directors, employees, regular consultants and suppliers of machinery and services who have access to the KUPRAL SPA IT network for any reason as per section II.2., must safeguard and ensure the confidentiality of news and information constituting company assets or relating to KUPRAL SPA business, in accordance with legislation, regulations and internal procedures.

10.- Directors and employees must carry out their respective duties with diligence, efficiency, honesty and integrity, using their time and tools available responsibly and to the best of their ability. In particular, information, assets and equipment provided to carry out duties within their remit must not be used for personal reasons.

VII - Relationships with institutions and the community

1.- KUPRAL SPA maintains relationships with local, national, EU and international institutions and public service officials in accordance with legislation and principles of loyalty, integrity and transparency.

2.- If any director, employee or collaborator receives an explicit or implicit request for favourable treatment from a public official, they must notify their line manager or relevant point of contact immediately.

3.- KUPRAL SPA may grant requests for contributions from non-profit organisations only of cultural, sporting or beneficial value that involves a significant number of citizens.

When granting requests KUPRAL SPA is particularly mindful of personal/company conflicts of interest.

VIII - Relationship with the environment

1.- KUPRAL SPA is committed to safeguarding the environment in its business operations, complying with national and EU legislation on the environment, and regularly monitoring company impact, in order to take prompt action to remedy any negative effects and correct operational deviation as required.

2.- In particular, KUPRAL SPA complies with production principles designed to prevent pollution and reduce environmental impact, and adopts the best environmental and quality management practices.

The company management system has been awarded ISO 14001:2004 certification by the RINA accreditation body.

IX - Reporting wrongdoing (whistleblowing)

KUPRAL SPA calls on its employees and executives to report suspected cases of fraud, unlawful or irregular conduct and/or any type of serious danger or risk that could involve or harm employees, consultants, customers, suppliers, stakeholders, the public or the company's reputation that they become aware of during the course of their duties, in accordance with the definition of whistleblowing activity set out in standard IATF 16949:2016 (including by way of example but not limited to: hazards in the workplace, environmental damage, unlawful financial transactions, threats to health, suspected cases of corruption or misconduct).

In particular, KUPRAL SPA confirms that:

- any suspected case reported within the company, provided it is not anonymous, will be given due consideration and the identity of the whistleblower kept confidential, subject to legal obligations on enforcing anonymity and confidentiality;
- any suspected case reported in good faith will not result in negative consequences for the whistleblower in relation to the information provided;

- whistleblowers reporting suspicions in good faith will be protected from reprisals or other actions by the parties involved in the circumstances reported.

X.- Implementation of the Code

1.- The Code and any future amendments are adopted by KUPRAL SPA through resolution by the Board of Directors.

The Board of Directors handles the implementation of the Code and its update, in its initial application at least, taking on the responsibility of an Ethics Committee. If there are any reports or other relevant facts that involve one or more members of the Board, the preliminary phase and final assessment will be assigned by the Board of Directors to a third-party expert nominated beforehand, who must be notified immediately of the reports or facts concerning the Board of Directors and/or individual directors.

2.- KUPRAL SPA implements initiatives designed to inform executives, managers, employees, consultants, suppliers and general stakeholders about the Code. In particular, the Code is distributed to employees, regular consultants and suppliers of machinery and services who have access to the KUPRAL SPA for any reason, with the methods referred to in sections II.1. and II.2 above, and is brought to the attention of other consultants and suppliers when they sign a contract with KUPRAL SPA. The Code is available in electronic format on the KUPRAL SPA website at www.kupral.com.

3.- KUPRAL SPA provides suitable communication channels for reporting breaches or observations on the application of the Code. In particular, Code breaches can be reported as follows:

- leaving a paper copy of the form in the relevant company pigeonhole;
- by e-mail sent to segnalazioni@kupral.com with the subject as FAO Ethics Committee;
- by post to KUPRAL SPA, Via Calvisano no.30, 25024 LENO (BS), addressed FAO Ethics Committee on the envelope.

The identity of the whistleblower and proceedings of the report will remain confidential, subject to legal obligations.

The form for reporting breaches of the Code is available on the website at www.kupral.com.

4.- Following an investigation, the Ethics Committee will assess the conduct that breaches the principles and standards of the Code, which may justify disciplinary measures in the form of a penalty in the case of internal relationships, or the cancellation of contracts in the case of external relationships, without compromising the right of KUPRAL SPA to initiate legal proceedings and claim for damages. Reports of breaches which are clearly unfounded and misleading will also be subject to penalties.