



# COMPANY'S CODE OF ETHICS

## I – PREAMBLES AND INTRODUCTION

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MOLLIFICIO VALLI s.r.l. manufactures and markets compression springs, tension, torsion and profiled metal parts shaped in wire, strip, sheet and tube.

The activity of MOLLIFICIO VALLI is made possible by the work of in-house staff and outside advisers as well as the firms that provide goods and services to it. Protecting the customers and their needs is part of the corporate culture of MOLLIFICIO VALLI, which aims in this code of ethical self-regulation (the “Code”) at outlining the basic principles and rules of conduct that the directors, the employees and the advisers, as well as the contractors of MOLLIFICIO VALLI have to comply with in conducting the business activity of the latter and in carrying out the respective performances as well as in internal and external relationships.

The primary aim of this Code is, as a matter of fact, to turn the values in which MOLLIFICIO VALLI identifies itself into shared and common values, at all levels, so that anybody, whenever called upon to take decisions is aware not only of the interests and rights of MOLLIFICIO VALLI but of customers’ ones as well.

## II – CODE'S EFFECTIVENESS

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1.- Compliance with the Code is an essential part of contract obligations of the employees under the terms and for the purposes and complying with [art. 2104 c.c.](#), as the principles and the contents of the Code are an expression of the duties of diligence, loyalty and good faith in the performance of work that contribute to the correct fulfilment of it. To this end, each employee underwrites a declaration of receipt of a copy of the Code and commitment to comply with its content. A similar declaration is signed upon each amendment of the Code.

2.- Furthermore compliance with the Code is requested to the regular advisers and suppliers of machinery and services having access in any capacity to the computer network of MOLLIFICIO VALLI, who confirm in written form the receipt of a copy of the Code and its successive amendments, committing to comply with it.

3.- The Code is brought to the attention of the other suppliers, advisers and third parties concerned by the activities of the MOLLIFICIO VALLI, calling upon them to comply with the conduct principles and criteria.

## III – ETHICAL PRINCIPLES

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1.- MOLLIFICIO VALLI intends to carry out its activity according to the sustainable development principles that meet the needs of the present generations without compromising the ability of future generations to meet their own needs. MOLLIFICIO VALLI specifically pursues the economic efficiency without compromising social development and the environment.

2.- MOLLIFICIO VALLI encourages and supports the inalienable rights of the individual, rejecting in external and internal relations any discrimination on grounds of sex, race, language, religious belief, political beliefs, gender and other personal and social conditions.

3.- MOLLIFICIO VALLI strictly complies with National European and International laws, as applicable in Italy, and is aware that the adoption and compliance with the ethical principles is a key element for the prevention of offences in general and crimes falling under the responsibility of the legal entities under the terms

of [D. Lgs. 8 giugno 2001 n. 231](#) (Law Decree no. 231 June 8<sup>th</sup>, 2001). To this end, the conduct rules set forth by the Code constitute the basic reference that recipients should abide by in carrying out the sensitive business activities as under the above decree and in the relationships with other parties, particularly the Public Administration and the civil servants and employees.

4.- MOLLIFICIO VALLI carries out its activity complying as well with the principles of integrity and transparency and carrying out lawful, verifiable, truthful and consistent operations and transactions. MOLLIFICIO VALLI firmly rejects corruption as a way of doing business, nobody being allowed to promise or deliver money or any other benefit to obtain undue services and nobody being able to request or receive money or other benefit to carry out undue services.

5.- MOLLIFICIO VALLI is aware of the importance of intellectual property and for this complies and protects the content of its various forms, and specifically of patents, brands, industrial and trade secrets and in general of the know-how.

6.- MOLLIFICIO VALLI acknowledges that fair competition is crucial to the development of business activity and therefore under no circumstance does it put in place deeds and conducts contrary to free and fair competition.

7.- The belief of acting for the benefit or in the interest of MOLLIFICIO VALLI under no circumstances can justify the adoption of conducts in contrast with the inspiring principles of the Code.

#### **IV – CUSTOMER RELATIONSHIP**

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1.- MOLLIFICIO VALLI considers as its own customer whoever avails itself of the activity of production of its items and/or benefits from its services.

2.- MOLLIFICIO VALLI does not make different treatments to customers without objective reasons and approaches its relationships with them with availability, professionalism and honesty, in addition to the ethical principles of this Code: human rights, financial integrity, protection of intellectual property, fair competition. MOLLIFICIO VALLI provides to its customers exhaustive and accurate information on the products supplied in order to allow them to make informed choices.

3.- Considering customer satisfaction as a crucial element of a proper relationship with the latter, MOLLIFICIO VALLI sets up procedures and instruments to check and assess the level of this satisfaction and to be capable of taking promptly the actions aimed at reaching rapidly and efficiently the highest level of customer satisfaction. MOLLIFICIO VALLI provides a clear feedback to the remarks, requests and complaints of the customers.

4.- MOLLIFICIO VALLI adopts any necessary step to ensure the compliance of customers data processing with law and regulatory provisions and, anyway, the confidentiality of this data according to the specific indications of the customers. MOLLIFICIO VALLI uses anyway the learned information only in strict connection and relation with commercial relations, except for any conduct of insider trading.

Similarly, MOLLIFICIO VALLI ensures and keeps confidential any news of technical or commercial nature learned during relations with the customer.

5.- MOLLIFICIO VALLI pursues technological innovation of its activity to anticipate market requests and meet customers' needs, and to this end devotes adequate resources to study and development of new techniques and solutions. It also provides lifelong learning to its staff in order to avail itself of employees aware of the most innovating solutions and operating techniques as well as of their proper application.

6.- MOLLIFICIO VALLI guarantees the safety of products supplied to customers, ensuring strict compliance with all regulatory and technical standards and the implementation of adequate control procedures.

7.- MOLLIFICIO VALLI abstains from any misleading, aggressive or incorrect practice in advertising and in commercial communications with the customers, which will be approached clearly and comprehensively with information concerning the activity and the services offered by MOLLIFICIO VALLI.

8.- MOLLIFICIO VALLI dedicates great focus to the feasibility of performances requested by the customers,

concerning the regulatory, technical and economic conditions, under no circumstances undertaking contractual commitments that could put it in a condition to resort to saving on the security of products and services. In particular, MOLLIFICIO VALLI has the primary objective to manufacture items featuring such characteristics as to ensure safety levels appropriate to last in time.

## **V – SUPPLIER RELATIONS**

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1.- MOLLIFICIO VALLI considers as its supplier:

- a) whoever markets and/or manufactures and/or provides other services relative to the products and/or parts of them, destined to being processed and/or incorporated in the items produced by MOLLIFICIO VALLI;
- b) whoever manufactures or markets intellectual properties, also incorporated in company machinery or instruments, and/or supplies and/or provides services of support not directly linked to the product (such as, for example, services of design, management and maintenance IT - SW and HW -, services of advising, supply of capital goods and consumer goods, etc.).

2.- MOLLIFICIO VALLI procures according to the quality of goods and services offered, of their cost, of the technical and economical reliability of the supplier, of the punctuality of deliveries, recognizing on these grounds equal treatment to current and future suppliers.

3.- MOLLIFICIO VALLI undertakes to preserve health and safety of suppliers and their employees and collaborators that could at times operate in the plants of MOLLIFICIO VALLI according to the standards in force, encouraging respect on behalf of the suppliers of the rights of workers and protection of the employment of minors under any circumstance.

4.- MOLLIFICIO VALLI selects its suppliers according to criteria of competence and professionalism, with special reference to the specific qualification process of those whose performances concern the quality of the manufacturing processes and items made by MOLLIFICIO VALLI, as well as according to criteria of cost effectiveness, professionalism and organization, and transparency. To this end, it adopts apposite procedures to assess in a transparent and impartial way the reliability and competence of each suppliers, of the convenience of its offer and the guarantees of assistance and timeliness of the performances.

5.- MOLLIFICIO VALLI approaches with loyalty and correctness the relationships with the suppliers.

## **VI – RELATIONSHIPS WITH EMPLOYEES AND ADVISERS**

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1.- The employees and advisors of MOLLIFICIO VALLI are all those who have a work relationship with MOLLIFICIO VALLI aimed at pursuing the company purpose.

2.- MOLLIFICIO VALLI rejects any form of discrimination between employees based on sex, age, race, nationality, religious belief, political membership and political beliefs, on gender and social and personal conditions. MOLLIFICIO VALLI, in particular, encourages and promotes equal opportunities between women and men. MOLLIFICIO VALLI rejects any form of discrimination in the hiring policies and human resources management: staff is selected in compliance with the principle of non-discrimination, according to the actual and specific company needs and based on the requirements of professional skills of the position.

3.- MOLLIFICIO VALLI favours a working environment where the dignity of the individual is ensured and relations between persons are based on respect, honesty, correctness and collaboration. Specifically MOLLIFICIO VALLI does not perform deeds and conducts not provided for by collective and individual applicable agreements, complying, also in exercising the powers of authority and hierarchy, with the personal dignity of the employees and collaborators and avoiding any form of abuse. MOLLIFICIO VALLI undertakes to prevent any form of *mobbing* and to acknowledge, as a crucial criteria for remuneration and career development, the merit and the commitment in the professional services and the professional potentials and

attitudes.

4.- MOLLIFICIO VALLI enhances competencies, potentialities and the commitment of each person, assessing them uniformly also for the purpose of optimizing work organization.

5.- MOLLIFICIO VALLI complies with all legal, regulatory and technical standards applicable from time to time in the field of health and safety of workers and adopts adequate control systems, implementing the general principles of risks removal; of assessment of unavoidable risks; of adoption of protection provisions at the source; of choice of workplaces and equipment; of the programming of prevention for the creation of a consistent set that incorporates technique, work organization, working conditions and the influence of the working environment factors; of the priority to the collective protection provisions; of the supply of appropriate instructions and information to the staff.

The management system of the business organization is certified ISO 9001, IATF 16949 and ISO 14001 by certifying body BUREAU VERITAS.

6.- For data processing of employees and consultants, MOLLIFICIO VALLI strictly complies with legal provisions, being under any circumstance ruled out any investigation on the private life of the latter.

7.- Employees and consultants pursue, in carrying out their respective activity, the objectives and interests of MOLLIFICIO VALLI. In particular, employees and consultants should not use their position to influence decisions in their favour or in favour of relatives and next of kin, for personal purposes of any nature. Therefore, they inform in written form and without delay, taking into account the circumstances, their higher staff level or their representative about situations or activities in which themselves, relatives and next of kin within the second degree, or de facto cohabiting partners can hold interests conflicting with those of MOLLIFICIO VALLI or any other case in which reasons of opportunity occur, undertaking to comply with the decisions taken by MOLLIFICIO VALLI (for example, activities in competition with that of MOLLIFICIO VALLI, economic or relatives and kinship relations with the suppliers, the advisers and/or the customers, etc.). Of understanding and authorization of operations with conflict of interests, appropriate documentation is preserved.

8.- Gifts by customers and suppliers and their acceptance by the employees of MOLLIFICIO VALLI are admitted only when they have a symbolic nature or are of modest value and thus cannot even in abstract terms give rise to preferential treatments, reserving anyway the Board of Directors of MOLLIFICIO VALLI to establish the target or distribution mode among the overall staff.

9.- The employees, just like the permanent collaborators and suppliers of machinery and services having access in any capacity to the computer network of MOLLIFICIO VALLI as under section II.2., ensure and protect the highest confidentiality of news and information composing the corporate assets or relative to the activity of MOLLIFICIO VALLI in compliance with legal provisions, regulations and internal procedures.

10.- The employees carry out their respective services with diligence, efficiency, honesty, rightness and transparency, using at best the time and the tools made available to them and taking the associated responsibilities on themselves. They do not use for personal purposes information, goods and equipment they have available during the accomplishment of their function, task or position.

## **VII – RELATIONSHIPS WITH INSTITUTIONS AND COMMUNITY**

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1.- MOLLIFICIO VALLI in case it holds relationships with local, national, community and international institutions and with public officers or servants in charge of public service, these relationships are approached with the highest compliance with standards in force, loyalty, truthfulness and transparency.

2.- If an employee or collaborator receives from a civil servant explicit or implicit requests of benefits, the latter shall inform immediately its higher staff level or the reference subject for the related initiatives, as well as the Board of Directors of MOLLIFICIO VALLI.

3.- MOLLIFICIO VALLI can endorse the requests of contributions limited to the demands coming from non-profit organizations, having a cultural or sport achievement value or a charity association with the involvement

of a significant number of citizens. In the choice of the proposals, MOLLIFICIO VALLI is particularly focused on the situations of personal or business conflict of interests.

## **VIII – ENVIRONMENTAL RELATIONS**

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1.- MOLLIFICIO VALLI is inspired in its activity by environmental protection and safeguard, in compliance with community and national laws in the environmental protection sector and monitoring regularly the impact of the activity itself on the environment, in order to take timely action as required to correct any negative effects and offset any operational deviations.

2.- In particular MOLLIFICIO VALLI aims at complying with the principles of implementation of production processes with appropriate criteria to prevent pollution and reduce environmental impact as well as adopting the best criteria for environmental and quality management.

3.- The Environmental Management System of the organization is ISO 14001 certified by the certifying organization BUREAU VERITAS.

## **IX –WHISTLE-BLOWING**

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1.- MOLLIFICIO VALLI invites the employees, advisers and anyway whichever subject implied in the activities of MOLLIFICIO VALLI to signal to the Board of Directors of MOLLIFICIO VALLI any suspect of frauds, unlawful or improper conduct and/or of any kind of serious danger or risk that can involve or anyway harm employees, advisers, customers, suppliers, stakeholder, the public or the reputation of the company, and of which we became aware during the working and management activity, according to the whistle-blowing definition taken from the IATF 16949 standard (as an example, but not limited to it, dangers on the workplace, environmental damage, illicit financial operations, health threats, suspicions of corruption or bribery).

2.- MOLLIFICIO VALLI in particular specifies that:

- to each whistleblowing based on evidence made within the company, provided it is not anonymous, adequate consideration will be ensured, guaranteeing the confidentiality on the identity of the whistleblower, without prejudice to legal obligations in the field of enforceability of anonymity and confidentiality;
- a whistleblowing based on evidence and in good faith will not produce negative effects for the whistleblower connected to the relative filing;
- the submitter in good faith of a whistleblowing based on evidence and reasonable will be protected from retaliation or else by the subjects concerned in the facts subject to the whistleblowing itself.

## **X – CODE IMPLEMENTATION AND SANCTIONS**

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1.- This Code was adopted by MOLLIFICIO VALLI through a resolution of its Board of Directors on 12 15 2017 immediately effective.

The enforcement of the Code and the updating of the latter as well as of any future amendments are entrusted, due to the dimension of MOLLIFICIO VALLI, at least in the phase of first enforcement of the Code to the above Board, which for this purpose, shall act as Ethical Committee. Should any whistleblowing or any other relevant fact concern one or more members of the above Board, the relative preliminary inquiry and the conclusive assessment shall be entrusted exclusively to a third-party professional designated previously by the Board of Directors to whom shall be immediately notified in written form the whistleblowing and the other

circumstances concerning the position of the administrative body and/or of single directors.

2.- MOLLIFICIO VALLI adopts initiatives adequate to disseminate the knowledge of the Code to all its directors, managers, employees, advisers, suppliers and stakeholder in general. In particular, the Code is delivered to employees, permanent advisers and suppliers of machinery and services having access in any capacity to the computer network of MOLLIFICIO VALLI as described in the above sections II.1 and II.2, and is brought up to their attention for the other advisers and suppliers upon the creation of contractual relationships with MOLLIFICIO VALLI. The Code is available in electronic format on the website of MOLLIFICIO VALLI (address [www.mollificiovalli.it](http://www.mollificiovalli.it)).

3.- MOLLIFICIO VALLI ensures appropriate communication channels to receive the whistleblowing on any violation or remarks on the enforcement of the Code. In particular, this whistleblowing can be made:

- by email to the address [info@mollificiovalli.it](mailto:info@mollificiovalli.it) indicating in the subject “reserved for Ethical Committee”;
- by ordinary mail to the address MOLLIFICIO VALLI, 39, Via Ceserio IT-28040 OLEGGIO CASTELLO, writing “reserved to Ethical Committee” on the external envelope.

The identity of the whistleblower is kept confidential as the treatment of the whistleblowing, without prejudice to legal obligations.

4.- As a result of adequate investigations, the Ethical Committee assesses the conducts in ascertained violation of principles and standards transposed in the Code that could justify the enforcement of disciplinary sanctions in internal relationships or the implementation of contract termination mechanisms in external relationships, without prejudice to the right of MOLLIFICIO VALLI to recourse to legal proceedings and damage compensation. Also whistleblowing plainly without evidence and instrumental will be subject to sanctions.

As a matter of fact, compliance with the provisions of this Code should be considered as an essential part of the contractual obligations taken by employees, suppliers, advisers and any other subject having a work relationship with MOLLIFICIO VALLI.

Breaching the provisions of the Code constitutes therefore:

- failure to comply with the obligations of the employment relationship and/or disciplinary offense, in compliance with the applicable regulations and, in particular, with procedures as under art. 7 of Workers Statute and of applicable collective agreements, with any legal consequence, also with respect to the preservation of the employment relationship, and may entail damage compensation arising from the latter;
- failure to comply with the contract obligations, with any legal consequence concerning the termination of the contract or of the given assignment and compensation of the damage caused.

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