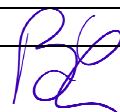


CARCO GROUP

CARCO S.R.L.

PRP ITALIA S.R.L.

<i>Revision no.</i>	<i>Reason for Revision</i>	<i>Date</i>
0	NEW ISSUE	25/02/2020



1.	SECTION I	3
1.1.	INTRODUCTION	3
1.2.	RISK MANAGEMENT	4
1.3.	CODE OF ETHICS AWARENESS AND COMMUNICATION	4
1.4.	COMMUNICATIONS, COMPLAINTS, REPORTING.....	4
2.	SECTION II	5
2.1.	ETHICAL PRINCIPLES.....	5
2.2.	PRINCIPLES OF LEGALITY, HONESTY AND TRANSPARENCY	5
2.3.	ETHICAL BEHAVIORAL PRINCIPLES	5
2.4.	RELATIONS BETWEEN EMPLOYEES	6
2.5.	APICAL OR SENIOR SUBJECTS	6
2.6.	RELATIONS WITH SUPPLIERS AND CONTRACTORS.....	7
2.7.	RELATIONS WITH CLIENTS.....	7
2.8.	RELATIONS WITH PUBLIC AUTHORITIES.....	8
2.9.	EXTERNAL PUBLIC RELATIONS, PRESS, MEDIA AND INFORMATION MANAGEMENT	8
2.10.	PROHIBITION OF ANY FORM OF CORRUPTION, ANTI-CORRUPTION ...	8
3	SECTION III – principles of social accountability standard SA8000	10
3.1	REGULATORY ELEMENTS	10
3.2	CHILD LABOR	10
3.3	FORCED AND COMPULSORY LABOR.....	11
3.4	SAFETY AND HEALTH.....	11
3.5	FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING.....	11
3.6	DISCRIMINATION	11
3.7	DISCIPLINARY PRACTICES.....	12
3.8	WORKING HOURS	12
3.9	REMUNERATION.....	12
3.10	MANAGEMENT SYSTEMS.....	12

1. SECTION I

1.1. INTRODUCTION

This Code of Ethics represents the set of values, principles and lines of conduct for all those involved in the activities carried out by CARCO S.R.L. and PRP ITALIA S.R.L., hereinafter referred to as CARCO GROUP

The Code has been adopted by resolution on the part of the Board of Directors and enters into force with immediate effect.

The Ethical Code is aimed at all employees of the company and all those otherwise associated with the same by an ongoing or periodic remunerative work relationship or consultancy situation (henceforth "COLLABORATORS").

The Code is subject to revision by the CARCO Group Management / Board of Directors.

Collaborators, in the performance of their work or duties, shall conform their conduct to the principles set forth in this Code, allowing such principles to be translated into real ethical action.

The CARCO Group intends to base its business in compliance with the principles of professionalism, correctness, legality and transparency as well as with respect for and in compliance with the law, regulations and current provisions, renouncing any form of corruption, collusion and any illegal or immoral behavior that may cause harm to the integrity or reputation of the company, its partners or the community within which it operates.

In particular, the principles set forth by the Organization and upon which they take inspiration, both towards stakeholders and the community, are as follows:

- legality, honesty and transparency
- respect and non-discrimination
- promotion of health and safety
- respect for the environment and the territory
- commitment to sustainable development and responsibility towards the community

The CARCO Group has elected to implement an INTEGRATED MANAGEMENT SYSTEM within its organization, which includes this CODE OF ETHICS and takes into account the requirements set forth by various internationally recognized standards: ISO 9001, ISO 45001, ISO 14001, SA8000.

1.2. RISK MANAGEMENT

The CARCO Group has developed, within the Integrated Management System, a risk management model resulting from a strategic planning process that includes the definition of a tried and proven methodology for identifying risks and tools for risk assessment, monitoring and management, especially in relation to the comprehensive analysis of its context associated with business and projects at all levels.

Management is responsible for overseeing the functionality of the internal control system and for identifying, evaluating, monitoring and managing the main risks. It is the responsibility of workers and collaborators to ensure their effective functioning within the position and role covered.

1.3. CODE OF ETHICS AWARENESS AND COMMUNICATION

This Code is readily available to all those who, for whatever reason, have relations with the CARCO Group by visiting the www.carco.it and www.prpitalia.it websites.

The CARCO Group undertakes to raise awareness and facilitate knowledge-sharing related to the adoption and implementation of the Code on the part of Collaborators by establishing specific moments where information is published and disseminated to those who are already part of the structure and for newly hired employees and collaborators. An electronic copy of the Code is available on the company server and is distributed to all Collaborators to guarantee that the recommendations set out in this Code are known and followed.

1.4. COMMUNICATIONS, COMPLAINTS, REPORTING

The CARCO Group undertakes to investigate, manage and communicate the results of complaints regarding the workplace and / or non-compliance with the requirements set forth in the Integrated Management System, according to the procedures of its management system.

The organization does not and shall not apply disciplinary sanctions or any discriminatory action against staff or interested parties who have provided information on compliance with ethical principles or who have made complaints relating to the workplace or other aspects referred to in this Code of Ethics.

Comments, reports, recommendations or complaints regarding the workplace and / or non-compliance with ethical principles, are to be made by way of one of the following methods:

- email to etica@carcoprp.com
- communication sent by post, addressed to CARCO Group / Human Resources Manager / via U. Foscolo 2, Basiano (MI)
- written communications submitted on paper addressed to the Personnel Office Manager, left at the offices located in Basiano (MI), via U. Foscolo 2.

2. SECTION II

2.1. ETHICAL PRINCIPLES

The CARCO Group demands from its Collaborators, regardless of their line of business or level of responsibility, the rigorous application of the ethical principles listed below, which are grouped into principles of legality, honesty, transparency and ethical-behavioral principles.

2.2 PRINCIPLES OF LEGALITY, HONESTY AND TRANSPARENCY

The behavior of all those to whom the Code is intended shall above all comply with the laws in force in the State or Country in which the Collaborators themselves operate.

The CARCO Group operates in compliance with mandatory regulations and therefore all Collaborators, as well as any and all parties that interact with the company for whatever reason, are required, within their respective responsibilities, to know and observe the applicable international, state, regional and local regulations : laws, directives, regulations, ...

All Collaborators shall act in accordance with this CODE, with the utmost sense of responsibility and professionalism and carry out their duties with all the necessary diligence, correctly and never misleadingly within the Organization itself, towards third parties and external business relations.

The CARCO Group undertakes to combat any form of corruption, fraud or irregularity and undertakes to promote every relationship, both inside and outside the Group, with the utmost loyalty, establishing lasting relationships of trust with all respective subjects who come into contact with the Company and its work and managing every relationship with stakeholders in a transparent, understandable, clear and unambiguous way so as to protect the business integrity and reputation of the Group.

2.3 ETHICAL BEHAVIORAL PRINCIPLES

All the work activities of those who work for CARCO and PRP shall be carried out with professional commitment, responsibility and moral rigor, also in order to protect the image of the company. All Collaborators, as well as those who work with the CARCO Group, are required, in the performance of their duties and professional careers within the Organization, in accordance with the following ethical-behavioral principles:

- ✓ **Honesty**, or the inability to perform illegal, unlawful or even just evil or vicious acts, in compliance with legal principles, the Code and moral principles, as well as due to a deep-rooted sense of justice. All Collaborators must always maintain correct behavior and not act unlawfully, contrary to ethics or abuse their position. All Collaborators must be aware of their responsibilities and maintain an irreproachable attitude towards corruption, that is, they must not offer, promise, give, request or accept anything of

- value or any benefit with the intent, as a consequence, that a certain function or activity is carried out improperly, by themselves or by other subjects;
- ✓ **Equity and Equality**, or behavioral policies inspired by the common sense of substantive justice, treatment and social relationships relative to each interlocutor, regardless of difference in age, sex, origin, different physical ability, religion, corporate level, economic power or social influence;
 - ✓ **Safeguarding and enhancement of the person**, or respect for each individual, enhancement of their respective abilities, establishment of mechanisms of trust and empowerment of individual collaborators, without discrimination;
 - ✓ **Impartiality**, that is, a principle of justice holding that decisions should be based on objective and equanimous criteria, rather than bias, prejudice, or preferring the benefit to one person over another for improper reasons.;
 - ✓ **Confidentiality**, scrupulous abstention from the disclosure of any company data, whether it be technical, economic, strategic, ..., and personal, in compliance with all applicable regulations regarding the protection of personal data / privacy.
 - ✓ **Health and safety protection**, that is, compliance with all current health and safety at work standards and regulations with scrupulous attention to all issues related to the prevention of accidents and occupational diseases in the workplace;
 - ✓ **Environmental protection**, i.e. compliance with all applicable environmental regulations with scrupulous attention to the environmental impact of your business.

2.4 RELATIONS BETWEEN EMPLOYEES

Employees and all Collaborators are required to fully respect the principles of moral legitimacy and ethical-behavioral principles. They must observe and apply the ethical-behavioral principles of diligence, honesty and equality, promoting collaboration and mutual solidarity, promoting the creation of a working environment suitable for the protection of the individual and worker both from a professional and a relational point of view.

Employees are required to comply with the directives given to them by the top management and to their diligent and correct execution, provided that the orders themselves are not clearly in conflict with current laws and / or with the principles of this Code; they must also report any factual or legal situations they may encounter which result in contrast with the laws in force and / or with the principles of this Code.

2.5 APICAL OR SENIOR SUBJECTS

The top management or apical subjects are required to respect the principles of moral legitimacy and respect the ethical-behavioral principles, in accordance with the mandates assigned to them.

The senior managers are bound by duty to operate with complete transparency in order to allow the reconstruction of any and all operations they may perform, with special reference to those relating to the movement of money. They are required to transmit an image of the company identity and a picture of its values in full compliance with the principles of this Code.

The top management are furthermore required to exercise a balanced, fair and non-discriminatory exercise of their powers in accordance with the mandates assigned to them towards Collaborators

and third parties, with respect for the person and his/her dignity, without ever abusing his or her position.

The top management must report any factual or legal situations, they may encounter, that result in contrast with the laws in force and / or with the principles of this Code.

2.6 RELATIONS WITH SUPPLIERS AND CONTRACTORS

The selection of contractors, subcontractors and suppliers regarding purchases of goods and services must be performed in accordance with the principles set forth in this Code as per the internal procedures of the Integrated Management System, and in compliance with the hierarchical structure of the Organization by way of written orders.

Suppliers must be selected in accordance with the parameters identified within the reference procedures or on parameters such as the objective price, capacity, of quality, pricing, economic advantage, service, convenience, ability and efficiency of the product

Accepting objects or gifts from suppliers, whether tangible or intangible, or anything of value, direct or indirect benefits, or courtesy and hospitality aimed at obtaining preferential treatment is strictly prohibited. Any gifts or gifts that are generally exchanged on special holidays such as, for example, Christmas holidays, where customarily practiced, must respect the following requirements

- common sense / reasonableness
- modest symbolic value, established in the maximum amount of € 50
- equality, or cost uniformity in the choice of gifts

At any rate, it is furthermore prohibited to give gifts and/or objects made on personal initiative or drawing on own or company funds not otherwise designated for this purpose: the CARCO Group establishes as per company policy the obligation to report any and all costs incurred in this area with all respective appropriate documentation.

2.7 RELATIONS WITH CLIENTS

Anti-competitive conduct by employees on the part of companies in direct violation of customers that violates Competition law and that does not comply with regulatory and legal provisions is strictly prohibited, it is furthermore prohibited to approach clients with attitudes or behavior considered unlawful or clearly contrary to the Code.

In particular, accepting or giving gifts from or to clients, whether tangible or intangible, or anything of value, direct or indirect benefits, or courtesy and hospitality aimed at obtaining preferential treatment, is strictly prohibited. Any gifts or goods that are generally exchanged on special holidays such as, for example, Christmas holidays, where customarily practiced, must respect the following requirements.:

- common sense / reasonableness
- modest symbolic value, established in the maximum amount of € 50
- equality, or cost uniformity in the choice of gifts for customers.

At any rate, it is furthermore prohibited to give gifts and/or objects made on personal initiative or drawing on own or company funds not otherwise designated for this purpose: the CARCO Group establishes as per company policy the obligation to report any and all costs incurred in this area with all respective appropriate documentation.

2.8 RELATIONS WITH PUBLIC AUTHORITIES

The CARCO Group's relationships with the Public Administration, or in any event, relations with public servants, that operate on behalf of Supervisory and Control Entities, Authorization Entities and Public Administrations, must be undertaken and managed in the most rigorous pursuance of applicable legal and regulatory requirements in compliance with laws and regulations in force, the principles established in this Code and the procedures of its Integrated Management System. With particular reference to transactions relating to authorizations, licenses, concessions, relationships with supervisory authorities or other independent authorities, social security entities, entities responsible for collecting taxes, bankruptcy procedures and the like, all contact with third parties must be performed by designated subjects expressly delegated to this in line with company strategies and principles set out in this Code.

Giving gifts or donations to Public Officials or Entities, whether tangible or intangible, or anything of value, direct or indirect benefits, or courtesy and hospitality aimed at obtaining preferential treatment on the part of Entities, Public Officials or other Agents who work on behalf of Supervisory Entities, Authorization Entities and Public Administrations, is strictly prohibited.

2.9 EXTERNAL PUBLIC RELATIONS, PRESS, MEDIA AND INFORMATION MANAGEMENT

Relations with the press or media, the means of communication and information and, more generally, intended external addressees, must be performed only by subjects expressly delegated to such duties, in accordance with the procedures and provisions adopted by CARCO and PRP.

The Group's relational strategy towards the media must follow the guiding principles of truth, correctness, transparency and prudence, in order not to induce partial, distorted, ambiguous or misleading interpretations.

All those who work in any relational capacity on behalf of the CARCO Group are required to maintain maximum confidentiality and not to unduly disclose or request information on documents, know-how, new product projects, corporate investments and, in general, on all information acquired due to the nature of their job function.

All information obtained in the course of the work activity is also reserved, the dissemination, disclosure or use of which may put the Group at risk or cause damage to the company and / or an undue and illegitimate profit for the employee or third parties involved..

2.10 PROHIBITION OF ANY FORM OF CORRUPTION, ANTI-CORRUPTION

Any form of corruption, whether direct and / or indirect, is expressly prohibited under the Code of Conduct.

Collaborators and employees who operate in the CARCO Group shall under no circumstances:

- directly or indirectly offer money to third parties, both public and private (directors, general managers, managers, persons in charge of preparing corporate accounting documents, client companies, contracting or supplying companies, ...) in order to obtain an interest or advantage of any type, including in order to obtain or maintain commercial cooperation or other benefits or privileges for or on behalf of the CARCO Group;

- directly or indirectly request or accept money or other benefits from customers, suppliers, or other subjects or seek to obtain or maintain other benefits or privileges in return.

The CARCO Group establishes within its Organization guidelines and administrative controls in order to prohibit and contrast any illegal behavior consisting in:

- offering, suggesting, authorizing any offer of payment of money, gifts or anything of value, in order to induce or remunerate the corrupt conduct of a function or activity, both public and private;
- pay or approve the payment of money, gifts or anything of value in order to induce or remunerate the corrupt conduct of a public or private function or activity;
- establish, consciously define or maintain processes or procedures or schemes with the intent to make illegal payments or otherwise carry out other illegal acts
- undertake any activity with contractors, customers, suppliers, commercial partners and other third parties that may be construed as constituting a crime.

By way of example but not limited to, the following activities may configure Corruption:

- offer money, gifts, benefits or similar in order to obtain a job opportunity;- to pay money, gifts, benefits or similar to an employee of a legal person in order to obtain confidential information;
- offer money, gifts, benefits or similar in order to influence customers or third parties (see points 2.7 and 2.8)
- accept disproportionate gifts from a supplier / contractor (see point 2.6).

3 SECTION III – principles of social accountability standard SA8000

3.1 REGULATORY ELEMENTS

The CARCO Group undertakes to observe national and international laws and the following international references:

- Universal Declaration of Human Rights
- United Nations Convention on the Rights of the Child
- United Nations Convention on the Elimination of all Forms of Discrimination against Women
- United Nations Convention on the Elimination of all Forms of Racial Discrimination
- International Covenant on Economic, Social and Cultural Rights
- International Covenant on Civil and Political Rights
- ILO Convention 1 (Duration of Work-Industry) and R116-Reduction of Hours of Work Recommendation
- ILO 29 Convention (Forced Labor) and No. 105 (Abolition of Forced Labor)
- ILO Convention 87 (Freedom of Association and Protection of the Right to Organize)
- ILO Convention 98 (Right of organization and collective negotiation)
- ILO Conventions 100 (Equal pay) and 111 (Discrimination - employment and profession)
- ILO Convention 102 (Social security - minimum standards)
- ILO Convention 131 (Definition of minimum wages)
- ILO Convention 135 (Workers' Representatives)
- ILO Convention 138 and Recommendation 146 (Minimum Age)
- ILO Convention 155 and Recommendation 164 (Occupational Health and Safety)
- ILO Convention 159 (Professional reintegration and employment - disabled persons)
- ILO Convention 169 (indigenous and tribal peoples)
- ILO Convention 177 (Home Work)
- ILO Convention 182 (Worst forms of child labor)
- ILO Convention 183 (Maternity Protection)

3.2 CHILD LABOR

The CARCO Group does not engage in child labor, nor does it tolerate or encourage its use. The CARCO Group does not employ young workers, in situations likely to jeopardize their health or safety in unhealthy or dangerous situations, at night or during school hours. (Definition of young worker: any worker who is over the age of 15 years of age and who has not turned 18 years old - ref. III.26. SA8000: 2014)

The CARCO Group maintains and makes readily available to competent authorities a data base relating to the name, age / date of birth of any young workers including young workers following start-up or professional training programs.

3.3 FORCED AND COMPULSORY LABOR

The CARCO Group does not and shall not employ personnel forced to work against their own volition or who are not at freedom to terminate employment as they see fit; furthermore, it does not constrain personnel to undergo restrictions in their freedom relative to severing their work commitments i.e., seizure of documents, salaries/wages not paid and kept as a deposit.

The CARCO Group shall under no circumstances require that personnel make any kind of “deposits”, nor retain employees' identity documents upon joining the Group nor shall the Group recourse to illegal unreported off-the-books work.

3.4 SAFETY AND HEALTH

The CARCO Group has always been sensitive to issues relating to occupational health and safety at the workplace and has implemented a Health and Safety Management System in full compliance of the ISO 45001 standard and accredited by a third-party certification body.

The CARCO Group undertakes with scrupulous attention to ensure that the working environment is in full compliance with current occupational safety and health standards (Legislative Decree no. 81/2008 and subsequent amendments), by monitoring, managing and preventing the risks associated with carrying out the work activity, within the framework of its management system.

3.5 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

The CARCO Group respects the fundamental right of all staff to organize and join unions in recognition of the right to collective bargaining and protect workers from any act of discrimination in violation of curtailing trade union freedom.

Freedom of association is ensured without the exertion of any form of coercion or pressure on those who join, nor discrimination against in the performance of duties or achieving career goals in the organization.

The company recognizes staff representatives as privileged interlocutors and guarantees that such representatives are duly given time to carry out these activities including access to workplaces.

3.6 DISCRIMINATION

The CARCO Group does not and shall not resort to or support any form of discrimination on grounds of nationality, origin, religion, disability, sex, sexual orientation, membership of associations and unions, political guidelines, age, relative to employment (hiring), salary, training, promotion, dismissal or retirement.

The Group shall, under no circumstances, within the Organization interfere or hinder the right of staff to observe doctrines or practices, or to satisfy needs related to the country of origin, religion, disability, sex, sexual orientation, membership of associations or political orientation.

3.7 DISCIPLINARY PRACTICES

The CARCO Group manages relations with its collaborators with dignity and respect: within the Organization, disciplinary measures contrary to the dignity and respect of the worker are not applied and unusual and / or corporal disciplinary practices are not envisaged.

Any disciplinary measures applicable are those set forth in the rules by current legislation and by the relevant National Collective Agreement.

3.8 WORKING HOURS

The CARCO Group complies with the provisions set forth in the national labor contract relative to working hours, as established by the Italian Civil Code, in any case, employees are guaranteed at least one day out of seven and are not required to work, more than 48 regular working hours per week, and be entitled to one full day's rest every week.

The organization ensures that any extra working hours are in line with the provisions of the relevant National Collective Agreement.

Companies also ensure that extra working hours are not required except in exceptional and short-term circumstances and are always adequately compensated.

The CARCO Group plans the performance of activities carefully, trying to rationalize the processes and correctly predict the necessary staff, so as to not force its employees to overwork and to ensure workers the benefit and enjoyment of holidays or free time.

3.9 REMUNERATION

The CARCO Group ensures its workers remuneration in compliance with all the laws in force and that such compensation does not result lower than that established by legislation as minimum wage. The organization furthermore ensures, through the support of an external payroll company for the management of employee wages, that salaries and allowances are paid in full compliance with all applicable laws and that wages are paid in the most convenient way for the worker.

3.10 MANAGEMENT SYSTEMS

The CARCO Group has implemented an Integrated Management System within its Organization in order to ensure that the following commitments are documented and evident:

- the commitment to comply with national laws and other laws applicable to one's business;
- the commitment to continuous improvement;
- the commitment to comply with the requests of the voluntary standards 9001 and 45001, with the consequent certification issued by a third-party organization;
- the commitment to comply with the requirements of the voluntary ISO 14001 standard, with the aim of obtaining certification from a third-party organization;
- the commitment to be inspired by ethical principles and social accountability identified within the voluntary standard SA8000 for social responsibility.