Code of Ethics

Internal Rules

In compliance with the Workers’ Statute and Italian Law

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1. Purpose

PRISMA Impianti S.p.A., in order to ensure the fairness and transparency in conducting its own business, and to be compliant with its own Company Policy, have considered necessary to implement this Code of Ethics.

This initiative was also taken believing that this document will provide a valuable tool to increase the awareness of all those who work on behalf of PRISMA Impianti S.p.A. about the need to follow, in carrying out their activities, a correct and loyal behaviour.

2. Applicability and Documents

This Code of Ethics was adopted by PRISMA Impianti SpA (the Company) to integrate its Management System for Quality, Environment and Occupational Health & Safety. It's also an essential element of the Organizational Model, provided for and regulated by Legislative Decree no 231/01, that PRISMA Impianti S.p.A. has adopted since the 21st of October 2014.

Please note that this Code is applicable since its approval in all corporate areas and more in detail it is addressed to the following Recipients:

- administrators and all who represent and manages the Company (either because appointed or because effectively conducting those tasks)
- employees (meaning all those who are linked to the Company by an employment relationship, including the senior staff)
- external collaborators subject to the management or to the supervising of the Company.
- all those involved directly or indirectly to achieve the interests and/or the objectives of the Company.

Basic reference document is the PRISMA Impianti QAS–231 Manual.

3. Employees’ Rights

The Company protects the dignity, the health and the safety of its employees. The Company is committed to ensure equal employment opportunities to all the employees without any discrimination based on ethnicity, religion, nationality, gender and social conditions.
More specifically, the Company is focused to give opportunities of technical training and personal and professional growth to the workers as stated in the Company Policy. The Company is also committed to create a cooperative work environment.

4. Employee’ Main Obligations

5. Working Hours and Breaks

6. Rules of Conduct

7. Holidays and Leaves

8. Accidents / Illness

9. Personal Data changes

10. External Relationship

GIFTS, BENEFITS AND FAVOUR PROMISES

The Company forbids to all those who operate in the Company interests to accept, offer or solicit – directly or indirectly – money, gifts, goods, services, or undue favours, in their relations with public officials or private individuals, in order to influence decisions and to obtain favourable treatment, undue benefits or for any other purpose. During the business relationship with customers and suppliers is not permitted to give and receive money, gifts, goods, services, benefits, favors and gratuities. Ordinary merchandise (calendars,
pens, USB pen–drives) offered by suppliers can be accepted providing that the value do not exceed 50 euro.

**CONDUCT OF BUSINESS**

A fair and transparent relationship with customers and suppliers is a relevant aspect for the success and image of our Company, so the aim of PRISMA Impianti is to continue in this direction basing on these principles all the relationship with other economic actors. More in detail, the selection of suppliers and purchases of materials, goods and services must be done in accordance with internal procedures, using the written form and fully respecting the permissions hierarchy of the Company. In any case, the choice shall be done solely on the basis of objective parameters such as quality, convenience, price, capacity and efficiency.

**CONFLICT MINERALS**

The minerals from conflict zones, also known as "Conflict Minerals" are minerals and derivatives extracted in the eastern province of the Democratic Republic of Congo (DRC) and neighbouring countries, the proceeds of which has the potential to finance directly or indirectly armed groups engaged in the civil war, resulting in serious social and environmental abuses. In July 2010, the United States has approved the financial reform bill Dodd – Frank. Article 1502 of the Act requiring all US publicly traded companies and their suppliers to disclose the chain of custody regarding the use of such minerals (tin, tantalum, tungsten and gold).

PRISMA Impianti supports efforts to eliminate the use of minerals from conflict zones. PRISMA Impianti does not acquire these minerals directly from its suppliers. As such, PRISMA Impianti has implemented procedures to ensure that the specific metals used in their supply chain are derived solely from mining areas and smelters located outside of these countries or minings areas and smelters certified by independent external bodies as "conflict free" if coming from the areas concerned. More in detail:

- Suppliers must meet these requirements as part of their supply chain and identify the source of these minerals.
- PRISMA Impianti requires that all operators provide the statement of minerals from conflict zones through the EICC/GeSI Conflict Minerals Reporting Template module.
- PRISMA Impianti will continue to regularly carry out due diligence and monitoring its own suppliers to verify compliance with this policy.
11. Disciplinary System

The violation by the employee of any of the provisions contained in the National Working Contract, in this Code of Ethics and in the rest of the documents that compose the QAS–231 system may cause, according to the severity of the infraction, one of the following measures:

- verbal warning;
- written warning;
- fine not exceeding three hours' retribution calculated on the minimum wage;
- suspension from work and retribution up to a maximum of three days;
- dismissal.

The employer will not apply any disciplinary sanction against an employee without giving him/her a notice and without hearing his/her defence.

Except for the verbal warning, the complaints shall be delivered in written form and the disciplinary sanctions can be applied only after 5 days from the written notice. The 5 days are the time span during which the employee may present his arguments.

If the sanctions will not be taken within 6 days from the given justifications, such justifications will be assumed as accepted.

The worker may submit his justifications both in written of verbal form. The sanction imposed by the employer must be justified and communicated in a written form.

WRITTEN WARNINGS, FINES AND SUSPENSIONS

An employee can be sanctioned with written warning, fine or suspension if he/she:

- does not be present at work or leave his jobs without any justification or not justify the absence on the day after the beginning of the absence;
- start working with delays not justified or suspend the work without reasons or stop working before the scheduled time;
- performs minor insubordination against the Managers;
- misuses Company assets such as vehicles and equipment;
- repeatedly violates the operational procedures provided by the QAS–231 system;
- violate any law, rule, standard or prescription related to Occupational Health and Safety;
- violate any law, rule, standard or prescription related to Environmental Protection;
- realizes negligently or with deliberate slowness the assigned work;
- causes damages the plant equipment or the processing material due to carelessness or negligence;
- is found in a state of obvious drunkenness or alteration, during the working hours;
- outside the Company performs for third parties the same work of the Company;
does not observe the no-smoking policy, where it exists and it is communicated by proper notice;
realizes little works on behalf of third parties, outside of working hours, without subtracting any material but with the use of the Company equipment;
otherwise violates the Working Contract or this Code of Ethics or commits any failure that would prejudice the discipline, morals, hygiene and safety of the workplace.
The written warning will be applied for minor deficiencies; the fine and suspension for the most important ones.

**DISMISSAL FOR MISCONDUCT**

**DISMISSAL WITH NOTICE**

In this measure incurs the employee who commits breaches to the discipline and to the work diligence, that despite being more relevant than the previous ones are not so serious to justify the application of the dismissal without notice. By way of example the following behaviours could lead to the dismissal with notice:
- Insubordinate behaviour against superiors;
- Conscious violation of laws, rules and prescription referred to Operational Health and Safety in the workplace;
- Conscious violation of laws, rules and prescription referred to Environmental Protection in the workplace;
- Relevant wrongful damage to plant equipment or processing material;
- Execution within the Company premises – and without permission – of works for his/her own interest or on behalf of third parties without use of Company material;
- Brawl in the Company premises;
- Abandonment of the workplace without permission, done by employees with assigned tasks of surveillance, custody, control;
- Unjustified absence lasting four consecutive days or repeated absences for three times a year on the day after an holiday or vacation.

**DISMISSAL WITHOUT NOTICE**

Any employee can be dismissed without notice when he/she causes serious moral or material damages to the Company or he/she causes during his work actions that constitute a crime by law or offense according to Italian Legislative Decree no. 231/01. By way of example the following cases can lead to dismissal without notice:
- Serious insubordinate behaviour against superiors;
- Mobbing or harassments against colleagues;
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- Conscious violation of Operational Health and Safety or Environment Protection laws, rules and prescription in the workplace that could put in danger the health and safety of others;
- Burglary inside the Company's or the Client’s premises;
- Theft of Company's intellectual property such as electrical diagrams, drawings, software code or other items, business information and/or whatsoever document;
- To cause voluntary damage to the Company's or Client’s equipment and materials;
- Workplace abandonment – or whatsoever action – which may put in danger the safety of persons and/or plants.
- To smoke where it can cause prejudice to the personnel safety and/or to the safety of installations
- Execution within the Company premises – and without permission – of relevant works for his/her own interest or on behalf of third parties with use of Company material;
- Brawl inside the Client premises.

OTHER SANCTIONS

PRISMA IMPIANTI wants to continue to be a safe and reliable point of reference for all the stakeholders involved in its business.

For all the Parts that are not related to PRISMA Impianti by an employment relationship, it may apply the contractual termination penalty – according to art. 1453 Italian Civil Code – and the compensation for any caused damage for any breach of the rules of the Organization Model.

Consequently, any contract/agreement will include the following clause:

"PRISMA adopted a Model of Organization and Management under Italian Legislative Decree no. 231/01, integrating it in the "Manual of the System QAS–231". The Code of Ethics including the Sanctioning System is published on the Company's website, at web address www.prismagroup.it. The acceptance and strict observance of the relevant rules contained in the Code of Ethics are therefore essential conditions for the establishment and continuation of the contractual relationship. Any failure to comply with the Code of Ethics is considered a serious breach of the contract that could justify the termination of the contract according to art. 1453 Italian Civil Code, and the subsequent action for compensation of the caused damages."
12. Conclusions

This Code of Ethics applies to all the Recipients – as defined in point 2) of this document – who are required to act in line with its prescriptions and in accordance with the principles and values expressed in the Company Policy.

Each recipient can report infringements to this Code of Ethics by any means described in the procedures that are part of QAS–231 System or directly reporting to the Supervisory Board. The Supervisory Board, after due investigation and verification, proposes to the employer all the measures in line with the Sanctioning System above detailed.