

Code of Ethics and guidelines of practice



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01

Message from the CEO

Message from the CEO

Thermo Engineering every day renews a promise to its customers, suppliers, investors, employees and the general public, this promise is to be a reliable company, in which each of these actors can put their trust, Thermo Engineering has a strategic structure that guides our behavior, and inspires and provides a direction of sustainable development.

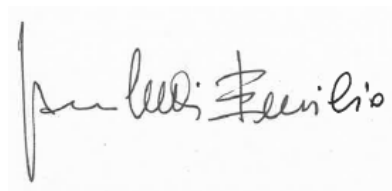
This framework encompasses our purpose, business model and path to profitable growth.

The Code of Ethics is a fundamental part of our strategy, it is among our most important principles, it is a guide to the way we do business, we are strongly committed to act ethically at all times and to respect human rights, doing this is the responsibility of everyone, starting from the highest levels, which is why managers are expected to be role models.

Illegal or unethical actions or behaviors by Thermo Engineering or any of our associates, whether employees, contractors or managers, can undermine our established reputation for honesty and integrity and will not be tolerated, it is up to each of us to create a company in which we can be proud to work, a place where everything that is done and all decisions that are made are based on ethical principles, integrity and respect for people and our planet.

Read the Code of Ethics to understand what we expect from you, use it as a reference and guide, remember that the Code does not cover every situation you may find yourself in and sometimes the right way to act is not obvious, anytime you have questions, do not hesitate to ask for support.

I firmly believe that an ethical approach is critical to the success of our company.

A handwritten signature in black ink, appearing to read "Emilio Vacchelli". The signature is written in a cursive style with a large initial 'E'.

Vacchelli Emilio

January 2013

02

Introduction to the Code of Ethics

Who it applies to and how it should be used

This document expresses the ethical commitments and responsibilities assumed by our company in the conduct of its business.

This Code applies to partners, members of the board of directors, all representatives and agents acting on behalf of the company, all permanent and temporary employees and consultants.

These commitments and responsibilities are undertaken by all of our people, whether they are employees, contractors or managers; managers are expected to be role models, and to set a good example by their conduct, actions and decisions.

We are committed to maintaining high standards regarding human rights, labor rights, environmental responsibility and anti-corruption in all business activities, and we demand the same from our partners.

Compliance with regulatory obligations

The Code of Ethics expresses and regulates the set of principles, rights, duties and responsibilities that inspire us, including, first and foremost, compliance with the laws and regulations in force in Italy and in the countries in which we operate, the principle of transparency and fairness in business management and fairness in market competition.

We must work in full compliance with the laws and regulations applicable to our activities, and in accordance with the Code of Ethics and our policies and directives.

As part of the activities to adapt our organizational model to the provisions of Legislative Decree no. 231/2001, we have identified and established a body responsible for implementing the principles contained in this Code of Ethics, called the Supervisory Board.

Reporting Problems

If you find violations of the Code of Ethics, you should report the problem to your manager or other appropriate person within the Company, all employees are expected to report any potential misconduct by any employee or representative of Thermo Engineering.

Anyone making a report should know that the Company has a strict non-retaliation policy, which ensures that there will be no adverse work-related consequences for the employee who, in good faith, alerts management to possible violations of the Code of Ethics.

Violations and sanctions

Employees who fail to act ethically or violate the Code of Ethics may be subject to disciplinary action, depending on the facts and circumstances, this action may include dismissal.

In many cases, the provisions of the Code of Ethics and related policies and directives are based on legal requirements, so any failure by you to comply with them may result in disciplinary action and legal sanctions against you and/or Thermo Engineering.

The recipients of this Code may report any violation of it to the Supervisory Body at any time. The report will be promptly assessed, guaranteeing, without prejudice to legal obligations, the secrecy of the identity of the person making the report, and the results of the investigations carried out will be transmitted to the Chairman of the Board of Directors.

The procedures for challenging violations of this Code and the imposition of consequent sanctions will be carried out in full compliance with the provisions of Article 7 of Law No. 300 of 20 May 1970 and the provisions of labor agreements and contracts, where applicable.

Thermo Engineering, in relation to the seriousness of the offence committed, will take the appropriate measures, regardless of the possible prosecution by the Judicial Authority, any violation of this Code, committed by employees and/or managers, will result in the adoption of disciplinary measures, proportionate in relation to the seriousness or recurrence of the misconduct and the degree of guilt, in accordance with the provisions of Article 7 of Law No. 300 of 20 May 1970 and the provisions of applicable labor agreements and contracts.

The provisions of this Code also apply to temporary workers.

With regard to directors and auditors, the violation of the provisions of this Code may result in the adoption, by the board of directors and the board of auditors respectively, of measures proportionate to the seriousness or recurrence of the misconduct and the degree of guilt, up to the revocation of the mandate for just cause.

In the latter case, Thermo Engineering shall be entitled to any damages suffered as a result of the illegal conduct. With regard to suppliers, collaborators and external consultants, the violation of the precepts of this Code is sanctioned with the termination of existing contracts with them, without prejudice to the right of Thermo Engineering to claim compensation for damages incurred as a result of such conduct.

03

Protection of People

Fundamental Rights

Thermo Engineering contributes to a better way of life by acting sustainably, creating better situations for its employees and always striving to improve, this can only be achieved through the company's greatest asset: its people.

Thermo Engineering wishes to gain the trust of all the people involved in its activities by demonstrating its commitment to ethics and human rights, through words and actions, we will always act ethically and with respect for human rights, as set out in the Fundamental Conventions of the International Charter of Human Rights and the International Labour Organisation (ILO) always considering the impact our activities and decisions have on our people and those around us.

We strive to conduct our business in a way that does not cause any harm to people, either directly or indirectly through our partners or suppliers.

A key part of our commitment to human rights concerns labour rights and working conditions. The rights of our employees and those working for our suppliers must always be respected and we will work to ensure high labour standards.

We do not tolerate child labour, forced labour, discrimination, harassment or abuse and are committed to fair working hours and pay. The health and safety of our employees is a top priority and we are committed to continuously identifying, managing and mitigating any risk of accident and illness.

Thermo Engineering is committed to having a constructive relationship with its employees and constantly strives to develop a working environment where there is an open and transparent dialogue to involve all employees directly.

Selection and development of human resources

All the activities of those who work for us, whether they are employees, collaborators in various capacities or managers, must be carried out with seriousness, moral rigour, fairness and professional commitment, so that our image can also be maintained and constantly improved by the work carried out; their behaviour must be based on the principles of fairness, transparency and mutual respect.

Thermo Engineering considers human resources an indispensable element for the existence of the Company and for the achievement of its objectives. To ensure that these objectives are pursued and achieved in accordance with the ethical principles that inspire us, we select each employee, collaborator and manager on the basis of technical preparation, professionalism, honesty, fairness and ability.

Personnel selection, based on the principle of equal opportunities and recognition of abilities without any favouritism, is aimed at acquiring resources corresponding to the profiles required by the company.

In particular, our managers must base their actions on the principles of the Code of Ethics, so as to always be a model and an example for human resources.

We are committed to ensuring working conditions and environments that create, maintain and improve the skills and competencies of each individual, in accordance with the principles of recognition of merit and equal opportunities. With this in mind, we promote and organise professional training programmes and encourage employees and collaborators to cultivate and expand their skills and competencies, to acquire new knowledge, and to maintain a proactive and creative attitude.

We put in place specific professional development programmes, in which we require not only participation, but also a contribution to improvement from our human resources. Managers and department heads must pay the utmost attention to enhancing and increasing the professionalism of their staff, encouraging dialogue and the constructive exchange of opinions, urging everyone to enhance their individual skills and, at the same time, to develop an aptitude for teamwork.

Discrimination

Discrimination is not acceptable and should not exist in our working environment, no one should be discriminated against on the basis of beliefs or personal characteristics such as gender, age, religion, marital status, race, caste, social background, illness, disability, pregnancy, ethnic or national origin, nationality, sexual orientation or similar.

All employees must be treated strictly on the basis of their abilities and qualifications in all decisions affecting them.

Harassment

As part of our commitment to a diverse and inclusive work environment, we do not tolerate harassment and bullying of any kind. Harassment in the workplace, such as repeated negative actions directed against individual employees, is not permitted.

All employees must treat each other with respect, dignity and good manners; harassment can take the form of written or verbal remarks, gossip, jokes and chatter, defamatory or offensive language and comments, or acts by which people abuse their authority and position to insult, intimidate or cause harm.

We do not tolerate child, forced, involuntary or compulsory labour of any kind.

Health and Safety

Knowing that employees are the most important factor for long-term success, Thermo Engineering is committed to the continuous development of a working environment that enables sustainable performance, where all employees can give their best. Our commitment to health and safety goes beyond ensuring compliance with rules and legislation.

Health and safety is a key priority in the design and development of our work processes and in the organisation of our activities, we have always been committed to reducing or eliminating workplace accidents and occupational diseases.

Management, at all levels, is directly responsible for working to minimise potential negative impacts on individuals.

04

Protection of Company assets

Protection of corporate assets

We are all responsible for protecting our company's assets and using them efficiently and accurately, it is critical to our business to protect and safeguard our assets, including our physical property, intellectual property and financial resources.

We do not tolerate fraud or misuse of company assets, fraud includes any act, including omission of an act, carried out for the purpose of deceiving others, such as the company, the public or investors, in order to carry out actions that result in economic harm to them.

Property, equipment, resources and funds must be used solely for business purposes and not for personal gain, examples of misuse of assets include theft, falsification of expense or time reports, misuse of computer, telephone or company facilities or misuse of employee discounts.

We protect our intellectual property-know-how, ideas, trade secrets, patents, trademarks, domain names, designs and copyrights-as valuable assets to the company. This value can be lost or compromised if these assets are misused or wrongly disclosed. Intellectual property is protected not only by applications, registrations and renewals, but also through oppositions, cancellation or infringement litigation against third parties to ensure we have as much freedom to operate as possible.

Accounting and reporting

Each accounting operation shall be supported by clear and complete documentation kept on file, so that the sector manager, the auditing firms or anyone else entitled or authorised to do so, may, at any time, check the operation carried out and identify who, at the various stages, decided, implemented, authorised, accounted for, recorded or verified it.

The accounting entry must reflect, with clarity, truthfulness and completeness, what is described in the supporting documentation. The recording of accounting elements based on valuations must be carried out with competence, prudence and reasonableness, with the explanation of the logical-argumentative path that guided the determination made.

Accounting and reporting must be accurate and complete, the integrity of our financial statements is critical to maintaining the trust of our customers, suppliers and other stakeholders, all financial transactions must be recorded and accounted for in accordance with applicable accounting standards.

The inclusion in our books or records of information that intentionally conceals or misleads the true nature of a transaction or the inclusion of misleading information to influence objectives is not permitted.

Accounting fraud can include misrepresentation of income, expenses, assets or liabilities, manipulating or altering accounting rules to achieve a financial objective is prohibited.

Thermo Engineering complies with applicable laws and regulations when preparing the financial statements and accounting records, adopting the most advanced accounting practices and principles. The financial statements faithfully represent the management facts (economic, equity and financial) according to criteria of clarity, truthfulness and fairness.

The Supervisory Board operates with continuity, impartiality, professionalism and authority; in this regard, it is free to examine documents and data, it suggests updates to the Code of Ethics and internal protocols, also taking into account the reports provided by employees; it has autonomy in terms of expenditure and availability of human resources enabling it to operate efficiently, with wide discretion and the full support of the Board of Directors, with which it collaborates in absolute independence.

Work environment

Thermo Engineering deeply believes in the importance of ensuring a working environment in which every human being enjoys conditions of absolute dignity and respect. Therefore, it takes all necessary measures to ensure that no discrimination or conditioning is ever implemented.

Thermo Engineering protects the privacy of all information in its possession relating to the private sphere and personal opinions of each individual, whether employees or persons who have, for any reason, relations with the Company. In particular, the Company puts in place all useful tools to respect the confidentiality of correspondence, dialogues and interpersonal relationships between employees.

05

Legal and Fair Business

Honesty, Integrity, Loyalty, Good Faith and Fair Dealing

Moral integrity, honesty, loyalty, good faith and fairness are a duty of all those who work for Thermo Engineering, both within the Company and in their relations with the outside world.

In this regard, managers must, with their actions, set an example for all human resources, since it is impossible to pursue a real growth of the Company if this is separated from the moral rigour and managerial correctness of the people who lead it or work for it.

Compliance with the law

Those who, in any capacity, work for Thermo Engineering are required to know and observe the laws and regulations in force in Italy and in the countries where we operate.

This commitment shall also apply to consultants, suppliers, customers and to anyone who has relationships with Thermo Engineering, which shall not establish or continue relationships with those who do not intend to align themselves with the above principles.

Due to the type of activity carried out, particular attention shall be paid to the rules governing competition, both on the national and international market.

Conflict of interest

Integrity should guide employees in making considered decisions and always acting in the best interests of the company.

When personal matters may affect business decisions, there is a conflict of interest, situations where a private or personal interest appears to be incompatible with the company's interests should be avoided and reported to your manager, the best way to handle conflicts of interest is to avoid them altogether, if they occur, you should be open and transparent about the situation.

These conflicts of interest can occur in a number of ways, for example when; you have a job outside of your work in which the interests of one contradict the interests of the other; a relative or friend is employed by you or is under your direction; you or a family member has a financial interest that could influence your judgement; you or a family member has a personal interest in any supplier or customer.

Gifts and hospitality

Business gifts and hospitality must be an act of courtesy and not a reward for doing business with us. In addition, gifts and hospitality given to or received from employees of customers or suppliers, including potential customers and suppliers, may be considered a bribe and must therefore meet certain criteria, such as adherence to normally accepted business practices.

In other words, any gifts or hospitality, whether given or received, must be of moderate value and must not, under any circumstances, influence the decision-making process. In terms of value, local/industry limits must be respected.

It should be remembered that gifts to public officials should be avoided as they are generally considered to be in a position where the gift could improperly influence their decision-making process.

Bribery

Abuse of office is the misuse or abuse of entrusted powers for personal gain. Thermo Engineering does not tolerate any form of corruption, this extends to all business dealings and transactions, in all countries where we operate, anyone representing us (including third parties) must not take part in or support unlawful practices.

Bribery can be defined as offering/giving or requesting/receiving something of value in order to influence a transaction or decision. We do not tolerate any form of bribery, regardless of its nature, including public and commercial bribery.

We do not tolerate business partners offering bribes or other inappropriate benefits and will take action if any such activity is identified.

Bribes can be in the form of: cash, gift certificates, vouchers, gifts of substantial value, commissions, charities, travel and entertainment.

Clients

Thermo Engineering considers the satisfaction of customer needs and expectations as fundamental to the success of its organisation.

Our behaviour towards our customers is based on availability and respect, so that the relationship is always collaborative and highly professional. No discrimination shall be applied to our customers, who shall enjoy supplies of high quality products and services that meet their reasonable expectations.

Communications to customers must always be complete and truthful, and equally careful and complete must be the collection of information, requests and any complaints or claims from the same.

Suppliers

Suppliers must be selected on the basis of the quality, cost, efficiency and innovation of the products and services they offer, purchasing processes must be based on the search for maximum competitive advantage, with fairness and impartiality, and every supplier must be given equal opportunities.

We are committed to maintaining high standards with regard to human rights, labour rights, environmental responsibility and anti-corruption in all business activities, and we demand the same from our partners.

We expect our suppliers to respect the principles set out in our Code of Ethics, based on the same requirements that apply to our own activities

Any discrimination and/or favouritism in relation to payments due to suppliers is prohibited.

Competitors

All personnel of Thermo Engineering are obliged to respect the rights of competing companies, acting against them, if necessary, in serious opposition, but always in full compliance with applicable laws, violations of laws can lead to negative consequences, claims for compensation and, in some cases, criminal investigations and penalties for both the company and individuals.

We believe in fair competition and comply with antitrust legislation, antitrust or competition laws are enforced throughout the world to safeguard competition in the marketplace, these laws prohibit anti-competitive agreements and abuse of a dominant market position, at Thermo Engineering we believe in a fair and competitive marketplace and compete on the merits of our products, brands and services.

Knowing the current trade rules is critical to our business, violations would not only damage our reputation but could also lead to criminal prosecution for the company and the individuals responsible. Trade regulations are complex as they vary from place to place.

Relations with authorities and P.A.

Relations with public officials or persons in charge of a public service, with the judiciary and with any national or international public authority must be marked by strict compliance with the laws and regulations in force, with internal protocols and with this Code of Ethics, so as to always guarantee the integrity and reputation of both parties.

Particular attention in relations with the above-mentioned parties must be paid to tenders, contracts, funding, however denominated, of public origin, in the management of orders, in relations with supervisory authorities, in relations with social security institutions, in legal proceedings whether civil, criminal or administrative..

Relations with public authorities and civil servants

It is not permitted to all those who work for Thermo Engineering, to offer money or gifts to managers, officers or employees of the Public Administration or their relatives, both Italian and of other Countries, unless it is a gift or benefit of modest value.

Illicit payments made directly by employees of the Company, as well as those made by non-employees who, for any reason, act on behalf of Thermo Engineering, both in Italy and abroad, shall be considered acts of corruption.

It is prohibited to offer and accept any object, service, benefit or favour of value in order to obtain a more favourable treatment in relation to relations with the Public Administration.

During business negotiations, requests or relations with the Public Administration, our personnel shall refrain from trying to improperly influence the decisions of the counterparty, including those of officials dealing with or making decisions on behalf of the Public Administration.

These guidelines apply to any consultants or third parties.

06

Protection of Information

Confidential information

Information about Thermo Engineering is a valuable asset.

Employees may at times be privy to confidential information, this may include financial information, trade secrets, pricing, turnovers and profits, strategies and plans, contractual information, customer and supplier lists, new product information or any other non-public information, confidential information may also constitute proprietary information depending on the circumstances.

Confidential information must be protected, handled carefully and not shared with unauthorised third parties or made public, unless you are specifically authorised to do so, the obligation to protect confidential information continues even after employment ends, this also applies to information that customers, suppliers and other business partners have shared with us.

Privileged information

As an employee, you may at some point become aware of inside information, when a person has access to inside information, he or she is subject to legal and regulatory duties, the unlawful disclosure of inside information is strictly prohibited.

Inside information relates to a non-public circumstance that, if made public, would have a significant impact on the financial situation, for example, financial results, acquisitions and major investments generally constitute inside information.

Personal Data - Privacy

We respect the fundamental right of every individual to protect his or her personal data. The need to protect personal data is increasing as the online environment expands, with vast amounts of data being transferred around the world, so it is important that we implement appropriate measures to protect personal data and comply with applicable data privacy laws regarding the storage, collection and use of personal data.

For us, this means always acting in a respectful manner with consideration for the privacy of others.

The collection, storage or use of personal data must take place in line with company policy.

You may only access personal data to the extent that this is necessary to fulfil your job duties, if you have permission to access personal data, you must protect and keep all information confidential.

07

Environment

Respecting the environment

Every employee plays a role in the continuous improvement of our environmental performance, the minimum standard for doing so is set by local legislation and each of us must act in line with these commitments.

By constantly looking for improvements and things that can be done better, we can ensure that our products contribute to a more sustainable society.

Examples of environmental violations are: factory emissions exceeding permitted legal limits, inappropriate handling of hazardous waste or improper disposal of waste water.