



CENTAURO



CENTAURO CODE OF ETHICS Ed 01 2017

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1. INTRODUCTION

Centauro srl is an international company which, since 1958, has been researching, developing and implementing applications for the mechanical engineering, electromechanical and electronic industries, with special focus on motorcycles, automotive, earthmoving and agricultural machinery, gearboxes, compressors and heating and cooling equipment for buildings.

Centauro srl plays a significant role in the economic growth and wellbeing of the local communities where it operates. The complexity and multiplicity of the scenarios with which it is confronted daily has prompted Centauro srl to endow itself with a tool whereby to announce the principles and the values which inspire it in the performance of its business activity, and the responsibilities which the company intends shouldering both internally and externally.

Centauro's mission hinges on growth and the creation of value by providing products and services able to obtain utmost customer satisfaction, while respecting the legitimate interests of the categories and stakeholders involved, the principles of fairness, transparency and correctness in the management of labour relations, workers' safety regulations, and the work environment and complying with the laws, regulations and provisions applicable to its different fields of activity.

To achieve this goal, Centauro requires all its direct collaborators, consultants, suppliers and customers to comply with high standards of conduct in the performance of their duties and activities as set out in this Code of Ethics. People represent a key element for the company's existence and growth. The dedication and professionalism of all those involved are values and conditions crucial to achieving Centauro's goals.

The Code of Ethics is inspired by principles of fairness and equality, transparency, honesty, diligence, impartiality, confidentiality, protection of individuals and the environment. It represents a guide and a supportive tool for pursuing Centauro's mission and goals in the most effective possible way.

The Code of Ethics identifies the essential elements on which Centauro intends basing its relations with all those directly and indirectly involved in its business activity and presents the guidelines adopted so that anyone acting in the name and on behalf of Centauro srl conducts him/herself in a way consistent with the company values and principles expounded herein.



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2. GUIDE TO THE APPLICATION OF THE CODE OF ETHICS

- RECIPIENTS OF THE CODE OF ETHICS

The Code of Ethics is a document approved by the Management of Centauro srl and a tool whereby the company defines the principles of business conduct and the commitments and responsibilities of its employees.

The recipients of the Code of Ethics are the Management, Executives and Collaborators of the Company and all other entities acting on behalf of Centauro srl. The code applies to Italy and all those countries where Centauro operates. It is brought to the attention of all Collaborators in an accessible place, in the most appropriate manner, and can also be requested at the Human Resources Department.

The Code is a tool to ensure effective prevention or detection of conduct contrary to ethics, the law, regulations and provisions applicable to business activities.

In case of the rules in force in a particular jurisdiction being more permissive than those contained in this Code of Ethics, the latter shall prevail over the former.

Compliance with this Code of Ethics is an essential part of the obligations undertaken by collaborators and therefore of their work services pursuant to art. 2104 Italian civil code. Violation of the Code of Ethics could therefore constitute a breach of the obligations of the labour contract and a disciplinary offence.

Compliance with the provisions of this Code of Ethic is also an essential element of relations with other recipients, who shall also be required to comply with such Code including by means of specific contractual clauses. In this case, the violation of the Code of Ethics may constitute a breach of contractual obligations and result in the termination of the contract due to the fault of the recipient, without prejudice in such case to Centauro srl's right to compensation for any damage suffered as a result of such breach.

- DUTY OF SUPERVISION

Fidelity to Centauro srl requires that the quality of the company's constitutional image, and its reputation, be protected.

The preservation and spreading of a positive image is of crucial importance for Centauro srl and consequently all Executives and Collaborators must be aware of the fact that any inadequate individual conduct or actions could cause undesired and harmful consequences for Centauro srl. Consequently, should the executive or collaborator have any doubts as regards the possible violation of the principles and rules of this Code of Ethics, it shall notify such circumstance to a hierarchical superior or to the Human Resources Management, which shall assess and decide the measures to be taken.

Such notices shall not be aimed at harming other executives or collaborators, nor the Company itself.



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The executives and/or collaborators shall be obliged to take speedy action in the event of witnessing or being informed of a violation of the Code of Ethics. They shall bring such violation to the attention of a hierarchical superior who has the authority needed to manage the problem, or to that of the Human Resources Management.

Centauro srl will not tolerate retaliations or discriminations against anyone who reports a violation of the Code of Ethics, regardless of the validity of the report itself.

- ETHICAL PRINCIPLES

The recipients of this Code of Ethics must conform their conduct to the fundamental principles according to which Centauro srl carries on its business, i.e.,

diligence,
expertise,
honesty,
fairness,
transparency,
integrity,
impartiality,
confidentiality,
conformity with the law,
good faith

In pursuing its goals, Centauro abides by the following principles:

- **legality:** compliance with the laws, provisions and regulations applicable in the Countries and on the markets where Centauro, including through third parties, is present and operates;
- **integrity:** honesty and transparency in internal relations and with third parties. Centauro srl rejects and condemns the use of illegitimate or in any case improper conduct (towards collaborators, customers, competitors and public administrations) in order to pursue corporate purposes;
- **propriety:** propriety and loyalty of its internal and external collaborators. Centauro srl monitors to ensure respect of such principles and pursues market excellence and competitiveness, protecting and promoting the human resources of which it avails itself and responsibly using its resources in a way respectful of the environment and individuals.

3. RULES OF CONDUCT

- CONFLICT OF INTEREST



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In the pursuit of any business activity, real or even potential situations of conflict of interest must always be avoided.

Centauro Directors, Executives and collaborators must avoid all situations that could cause any conflict with the Company's interests. In particular, any conflict of interest between personal and family economic interests and duties assigned in Centauro srl must be absolutely avoided, as must all forms of collaboration likely to come into conflict with responsibilities assumed with the Company itself.

By way of example, the following represent conflict of interests:

- personal economic and financial interests with suppliers, consultants, customers and competitors of Centauro srl;
- carrying out business activities (other than those assigned by Centauro srl) with suppliers, competitors and customers of the Company;
- acceptance (including through others) of money, goods, services or other favours, from companies which are in or which intend entering into business relations with Centauro srl.

Anyone who is, or potentially considers him/herself in a situation of conflict of interests, must immediately notify a hierarchical superior or the Human Resources Management.

- RELATIONS WITH SUPPLIERS AND BUSINESS PARTNERS

In relations with Suppliers and business Partners, it is always necessary to check available information relating to the other party, especially as regards economic situations and reputation. Entering into or having business relations with Suppliers or Partners known to be or suspected of being involved in unlawful activities must be avoided.

It is further necessary to select suppliers on the basis of objective assessments as regards expertise, competitiveness, quality of goods and services offered, propriety, prices, capacity and efficiency of the organization, respectability and reputation. Purchase processes should be based on the search for maximum value and the granting of equal opportunities for each supplier.

The persons appointed to select suppliers must operate on the basis of objective and documented criteria, and make assessments on the basis of principles of quality, competitiveness and suitability.

Centauro srl condemns any conduct by the recipients of the Code of Ethics aimed at promising, offering, paying or accepting, directly or indirectly, money or other favours for the purpose of obtaining or maintaining business.



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In any case, Centauro srl asks its collaborators to refuse acts of business courtesy, which in any case represent a cost for those who perform them and to promote an awareness campaign so that the funds set aside for such expenses be directed in favour of the support of organizations which help the needy and which fund research centres and laboratories engaged in finding remedies for the diseases which afflict humanity.

- RELATIONS WITH THE PUBLIC ADMINISTRATION

For purposes of this Code of Ethics, the concept of Public Administration also comprises the Public Administration of Foreign Countries and Supranational Public Organizations and all those entities which can be qualified as such according to applicable legislation.

In particular, besides the Public Administrations, Public Administration means any public body, independent administrative agency, natural person or legal entity acting as Public Officer or in charge of a public service. The recipients of the Code of Ethics shall be obliged to operate, in relations with the Public Administration, according to principles of propriety, honesty and transparency and according to applicable laws and regulations.

They shall conduct themselves in a clear and transparent way, so as not to be interpreted by the entities involved as ambiguous or contrary to applicable provisions. Relations with the Public Administration must only be managed by specifically appointed collaborators.

- ADMINISTRATION AND ACCOUNTS MANAGEMENT

Accounting entries must be kept in an accurate, complete and prompt way so as to permit a faithful representation of the economic, equity and financial situation and of the management activities of Centauro srl.

The recipients must therefore ensure that all operations and transactions are properly registered, authorized, verifiable and legitimate. All operations must be supported by adequate and complete documentation, properly kept so as to make possible at any time the control and verification of the decisional and authorization process of the operation itself.

Furthermore, the utmost truthfulness, transparency and completeness must be ensured of the administrative and accounting information produced.

- MONEY LAUNDERING

All operations are forbidden which could result in the involvement of Centauro srl, in receiving stolen goods, money laundering, or the use of assets or money of illegal origin.



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Information available on suppliers, business partners and third parties with which Centauro has relations are always checked to ascertain the integrity, respectability and the legality of third parties, so as to reasonably rule out the risk of violations, at national and international level, of laws on money laundering by anyone operating to the benefit or in the interest of Centauro srl.

- 3.6. COMPANY ASSETS

Each recipient is responsible for protecting and correctly using the company assets, including confidential information and IT and network resources. Each recipient of this Code of Ethics shall be obliged to use the corporate assets, for whatever reason assigned to it, in a diligent way and always maintaining a responsible conduct. The corporate assets must be used in an appropriate way and in compliance with corporate interests, avoiding any improper use, including by third parties.

- 3.7. PROTECTION OF INTELLECTUAL PROPERTY

Each recipient of this Code of Ethics shall be obliged to respect the legitimate patent and intellectual property rights of third parties, according to the provisions of applicable laws, whether community and/or international. The recipients of the Code of Ethics shall at all times consider as confidential and protect the information in their possession and the patent rights relating to ideas developed within the scope of Company business activities.

- 3.8. PROTECTION OF CONFIDENTIALITY AND PRIVACY

The business activities of Centauro srl require constant acquisition, conservation, processing, communication and diffusion of news, documents and other data relating to negotiations, financial and business operations, know how (contracts, acts, relations, notes, studies, drawings, photos and software) etc.

All information and other material obtained from a collaborator of Centauro srl in relation to the carrying out of his/her business activity is the sole property of the Company itself.

All the information relating to Centauro and its business activities, or to other entities directly or indirectly related to same, which is not of public domain, shall be deemed confidential and as such shall not be disclosed or revealed to third parties or used for purposes unrelated to the carrying out of the business activity.

Recipients are strictly forbidden from revealing to third parties, unless such disclosure has been authorized by the Company or provided by law or the provisions of the Authority, the information acquired for any reason whatsoever or with which the recipients of the Code of Ethics have become acquainted during the carrying out of their duties.



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The information, on the basis of which it might be possible to deduce industrial and business secrets, must be managed in a confidential way and must only be accessible to Collaborators who require such access for their own professional activities; the latter in turn shall be obliged to keep such information safe.

This shall also hold good for information with regard to which the business partners of Centauro srl require confidentiality, in particular when, in relation thereto, non-disclosure agreements have been entered into.

This non-disclosure obligation exists without limitations, including once the employment or collaboration agreement has terminated.

- ACCESS, USE, PROCESSING OF DATA, INFORMATION, DOCUMENTS AND COMPUTER SYSTEMS

Centauro srl considers the use of new IT technologies of crucial and strategic importance for the carrying out of its industrial activities and the pursuit of its corporate purposes: maintaining a high level of IT security is essential for protecting the information which Centauro srl develops and/or uses and is vital for the effective pursuit of corporate policies and strategies.

In order to avoid involving the company in financial and penal liability problems, as well as causing direct or indirect damage to the business activities of Centauro and to its image, each collaborator is required to pay particular care and attention to the IT and computer systems (e.g.: hardware supports, Internet and intranet systems, company mail, remote access etc...) used to carry out its professional activities. More specifically, the following are not allowed:

- downloading files contained in electronic/optical media in no way related to business activities.

- using network drives designed for sharing strictly professional information for purposes other than business activities, except within the limits of reasonability. Any file not related to work activities may not be saved and/or filed, not even for short periods of time, in these units.

Centauro srl reserves the right to proceed to remove all files or applications it deems hazardous for company security, or acquired or installed in violation of this Code.

- exchanging or sharing musical files, images or films, uploading files, taking part in forums and blogs, using chat-lines, unless such activities are related and functional to specific work activities.

- storing and/or using computer documents of an offensive and/or discriminatory nature as regards sex, language, religion, race, ethnic origin, opinion and trade union and/or political membership.

- sending or storing email messages (internal and external) of an offensive or threatening nature, with obscene language or in any case of low level, or with inappropriate or undesirable remarks, which could offend people and/or damage the company image and which in any case represent a violation of the values and



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policies of Centauro, or forms of harassment and discrimination as regards sex, language, religion, race, ethnic origin, opinion and trade union and/or political membership.

- using the company email address to take part in debates, forums or mail-lists.

Collaborators shall be further required, to safeguard the company equity, to adopt suitable solutions of prudence in the event of having to use the email to exchange messages and documents containing confidential information. The Centauro databases can contain, inter alia, personal data protected by the law on privacy, data which by negotiated agreements cannot be made known outside the company and the inopportune or untimely disclosure of which could damage the interests of the Company itself.

Each recipient of this Code shall be obliged to assure the privacy required by the circumstances for each piece of information learnt by reason of his/her work function, and to scrupulously adopt the provisions of company security policies so as not to prejudice the functions and the protection of the computer systems.

ENVIRONMENT, SAFETY AND PERSONAL PROTECTION

Centauro srl, in compliance with applicable laws on the protection of working conditions, provides a work environment which is adequate in terms of the workers' safety and health, and adopts all necessary predictive and preventive measures.

All collaborators are required to carefully fulfil the obligations and abide by the regulations deriving from the above legislation and to follow all the health and safety measures required by internal procedures and regulations.

The Company considers the environment and sustainable development as strategic factors and therefore takes every care to ensure that its production plants and processes have no environmental impact.



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- PERSONAL DIGNITY

Centauro srl rejects all forms of discrimination based on age, sex, sexual orientation or religious creed, state of health, race and political opinion.

Centauro srl provides a healthy work environment and working conditions which are respectful of the individual and condemns all activities aimed at exploiting the labour of people in a state of need and/or subjection, whatever form these take.

4. IMPLEMENTATION OF CODE OF ETHICS

Any violation of this Code may at any time be notified to a hierarchical superior and/or to the Human Resources Management. Such notifications, like any other violation of the Code of Ethics discovered as a result of other enquiry activities, shall be promptly assessed in order to adopt any possible sanctions.

5. SANCTIONS

Centauro Collaborators consider the observance of this Code of Ethics as an essential part of their contractual obligations; its violation shall therefore represent a breach of the primary obligations of the employment contract or breach of discipline and result in the adoption of disciplinary measures proportionate to the seriousness of the facts and/or the repetition of the misconduct or degree of guilt, in compliance with the Workers' Statute, with all legal consequences including with regard to the continuation of the employment contract and to payment of damages.

As regards the other recipients of the Code of Ethics, the violation of the provisions included therein could involve measures that go from a simple reprimand up to revocation of appointment for just cause in the case of Directors, Attorneys and Auditors, and the termination for just cause of contracts in effect for Suppliers, business Partners and external Collaborators.

6. FINAL PROVISIONS

This Code of Ethics is adopted with the resolution of the Management of Centauri srl. Every update of same will be approved by the Management and made immediately accessible through distribution in staff access points.