



# Semplice S.p.A. Code of Conduct

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## 1- Document approval and amendments

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### Amendments

CONTENTS	DESCRIPTION	DATE	ISSUED BY
0	First edition.	26/01/2012	Board of Directors





## 2- General principles

Semplice S.p.A. (hereafter also “**Semplice**” or the “**Company**”) is a member of the MFL group of companies (the “**MFL Group**”) which operates worldwide in various countries.

This Code of Conduct (hereafter also the “**Code**”) provides guidance and support for all Company directors and all other Company employees, to help them pursue the mission of the MFL Group.

To this end, the Company undertakes to:

- make sure the Code is disseminated
- make sure the Code is updated
- provide information to assist in interpreting the Code
- ensure no retaliation against anyone who reports breaches of the Code in good faith
- take fair and consistent disciplinary action with regard to the type of breach and apply these sanctions consistently to all recipients of the Code
- periodically control compliance with the Code.





### 3- Guide to using the Code

#### **Description**

The Company's directors approve the Code, which is a breakdown of the standards of business and ethical conduct that directors and employees are required to maintain.

#### **Recipients**

The Code addresses all Company employees who act on its behalf and in its name.

All parties who have business dealings with the Company are also required to comply with the Code.

#### **Access**

All employees receive a copy of the Code and it is also displayed on company notice boards.

Copies of the Code can also be requested from the Company's administration department.

The same procedures as above will be used to publish any amendments to the Code.





#### 4- Business conduct

Like all the companies in the MFL Group, the Company does not tolerate the use of bribery and corruption in any situation at all, even with the idea of driving business or acquiring new orders from clients.

Dealings with the Company's partners (clients, suppliers, banks, authorities, etc.) shall be based on honesty and lawfulness.

The Company directors will not agree to the involvement of any of its employees in active or passive bribery nor will they support any action that could be construed as suspected bribery.

Before entering into business dealings with third parties, the Company employees must carry out due diligence with regard to their potential counterparties (clients and suppliers) to make sure the businesses are respectable and legitimate.

In particular, the principles set forth in this Code and the internal procedures adopted by the Company must be followed when selecting suppliers and independent associates and when deciding on the purchase of goods and services, all of which shall be put down in writing.

In dealings with suppliers promises, gifts or favours of any kind (direct and indirect), benefits, acts of courtesy and hospitality in order to receive favourable treatment are strictly forbidden; so-called gratuities (gifts that are traditionally exchanged on festive occasions such as Christmas) shall fulfil the twofold requirement of insubstantiality (i.e. they must be of symbolic





value) and equality (i.e. equal cost of gifts for all suppliers).

In any case, personal initiative or money and/or funds set aside for other purposes shall not be used for gifts; it follows that all expenses must be documented in order to ensure transparent accounting.

The Company also aims to meet the needs of its customers in full, laying a correct, fair, efficient and professional foundation for dealings with them, in compliance with the law.

For this purpose, it is necessary:

- to keep customers appropriately informed about all matters involved in the performance of activities undertaken on their behalf;
- never to promise results to customers that lie outside the Company's responsibilities;
- never to advise and/or propose illegal actions or conduct to customers;
- make sure that gifts, contributions, payments, reimbursement of expenses and any other form of economic dealings with customers are totally transparent and comply with the Articles of Association and the applicable legislation.





## 5- Employees

Moral integrity is a constant duty of everyone working for the Company and characterises the conduct of the whole organisation.

### **Relations amongst Company top-level management**

The corporate bodies base their activities on full compliance with the rules laid down in the Company's Articles of Association as well as applicable national and EU legislation.

Persons appointed as directors shall:

- actively seek to ensure that the Company benefits from their specific skills;
- promptly report any conflict of interest that may involve them;
- keep confidential any information they acquire during the normal course of duty.

The corporate bodies operating in the Company shall collaborate fully and share information with each other, in order to promote the coordination and pursuit of the company purposes.

In particular, they shall be completely loyal to the Company in the performance of their duties and shall comply with the confidentiality obligations. Their actions shall also be fully transparent to assure traceability of their operations.

### **Employee relations**

Company employee relations shall be based on civil co-working and respect for personal rights and liberties and of the fundamental principles underpinning equal social dignity without discrimination based on nationality, language, gender, race, religious beliefs, political or trade union affiliations, and physical or mental conditions.





Company employees undertake to comply with the principle of solidarity, considering respect for legal values to be more important than the pursuit of personal goals.

Within the Company's hierarchical organisation, its employees shall comply with and apply the principles of diligence, honesty and equality, promote mutual collaboration and foster a working environment that looks after people and workers in both professional and interpersonal terms.

In particular, all managers shall exercise their powers objectively and equitably, driving the professional growth of their collaborators and the improvement of their working conditions.

Staff take part in training initiatives guaranteeing their commitment, professionalism and spirit of participation.

Lastly, employees are required to comply with all the provisions laid down in their relative collective bargaining agreement, as well as all trade union provisions concerning conduct, promptly informing their line managers if anything occurs that could interfere with the correct management of work activities.

### **Relations between top-level management and employees**

The Company's top-level management shall exercise its powers over the employees equitably, ensuring respect for all persons and for personal dignity.

In any case, Semplice managers shall not abuse their position when recruiting employees (which shall be done







exclusively on a meritocratic basis and/or in compliance with the laws in force), or during the employment relationship.

The Company's top-level managers shall issue provisions that always and exclusively comply with the law and with the principles of this Code; they shall abstain from any harassment and/or intimidation aimed at forcing company employees to breach the aforesaid principles.

For their part, employees are required to comply with the instructions issued by the top-level managers of Semplice and to execute them diligently, provided that these orders are not clearly illegal or in breach of the principles laid down in this Code; they shall also report any situations which may be illegal or breach the principles of this Code.

### **Relations between the top-level management, employees and Supervisory Committee**

Both the Company's top-level managers and employees shall comply with all directives and notices issued by the Supervisory Committee (refer to the Compliance Model - General Section for their functions and responsibilities), strictly following their instructions.

The Recipients shall also report to the Supervisory Committee any situation, conduct, event or circumstance that constitutes a breach (or presumed breach) with regard to the offences under Italian Legislative Decree no. 231/2001.

In compliance with the provisions of the Compliance Model implemented by the Company, dealings with public institutions, and with relatives and the like shall take place in a way that





cannot be interpreted as having the purpose of procuring undue advantage for the Company.

To this end, the Supervisory Committee must be immediately informed of any requests or offers of money or favours of any kind whatsoever if these actions may be construed as exceeding normal business practice or common courtesy, or if they are intended to obtain favourable treatment in conducting any corporate business, unduly made to or by parties that operate on behalf of the Company in its dealings with the Public Administration so it can take appropriate action.

All employees are therefore required to:

- read and sign the Code;
- adopt actions and conduct in compliance with the Code;
- promptly report in good faith any breaches of the Code to their line manager or to the Code compliance officer;
- approach the administration department for clarification on interpreting the Code;
- where necessary, cooperate with the auditing activities relating to the Code;
- drop any anonymous reports of breaches of this Code in the special box for anonymous reports.





## 6- Workplace health and safety and privacy

The Company recognises workplace health and safety as a fundamental right of its workers.

Employees and associates are essential to the Company's success, so it protects and promotes the value of human resources in order to improve and develop the experience and skillset of all associates, and it guarantees working conditions that respect personal dignity.

The Company adopts workplace health and safety policies in compliance with the provisions of applicable law. These policies are based on preventive, personal and collective measures to minimise the potential risks in the workplace.

The Company also promotes the culture of accident prevention through training and information courses.

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In compliance with the applicable laws, the Company undertakes to hold confidential any information about the private life and opinions of each of its workers and more generally, of anyone who has dealings with the Company itself.

**In particular, the dignity of workers must be assured also by respecting their privacy, in correspondence and in the interpersonal relations of staff with each other. This can be done by prohibiting interference in conferences or conversations and by prohibiting meddling or forms of**





**control that may infringe their personal privacy.**





## **7- Relations with the community and with the environment**

The Company is aware of the impact of its activities on the local territory, on economic and social development and on the general well-being of the community, and focuses on the importance of being accepted by the communities where it operates.

For this reason, it intends to operate in full respect of the local and national communities and helps disseminate and raise awareness of sustainable development, minimising the impact of its business activities and properties on the environment, in consideration of the needs of future generations.





## APPENDIX

The Company acknowledges that with the enactment of the “**Bribery Act**” on 1 July 2011, the United Kingdom reviewed and updated the existing bribery law, in particular governing the following cases: (i) offering, promising or giving of a bribe (active bribery) in the public and the private sector, (ii) requesting, agreeing to receive or accepting a bribe (passive bribery) in the public and the private sector, (iii) bribery of a foreign official, and (iv) failure of commercial organisations to prevent bribery.

Like the provisions of Italian Legislative Decree 231/2001, under the Bribery Act, the commercial organisation is liable only if the party that commits the offence was already associated with it before the bribery. Furthermore, the Act applies not only to companies incorporated or formed in the United Kingdom and operating there but also to British companies operating outside the United Kingdom, and non-British companies that carry on a business or part of a business in the United Kingdom, wherever in the world the company may be incorporated or formed and whether or not the acts or omissions that constitute an offence take part in the UK or elsewhere.

The Company acknowledges that this provision may impact the Italian companies that have business dealings in the United Kingdom, both directly and through agents and/or consultants, and through subsidiaries or even if they just carry on sales activities or provide services in the United Kingdom.

In particular, the difference between the Bribery Act and the provisions of Italian Legislative Decree 231/2001 lies in the inclusion of the offence of bribery between private parties, a case which is to date not within the bounds of predicate offences under Italian Legislative Decree 231/2001.

Therefore, the Italian companies potentially affected by the foregoing Bribery Act must adopt preventive measures





that aim at avoiding the risk of committing the aforementioned offence of private bribery by enhancing the Supervisory Committee's monitoring activities and implementing specific procedures.

That said, although at the moment the Company does not believe that the foregoing provisions apply to its business activities, it intends to provide in this appendix the principles of conduct that it expects its directors, employees and associates to comply with. Most of these principles have already been listed in the principles within this Code of Ethics and in the Compliance Model under Italian Legislative Decree 231/2001 and are set forth as follows:

- i) **risk assessment:** be aware of and monitor the risk of bribery in its benchmark sector and market;
- ii) **top-level commitment** foster a culture in which bribery is never acceptable, irrespective of the company's size;
- iii) **due diligence activities:** know its business partners and enter into mutual agreements to fight bribery, conducting their business dealings transparently and ethically;
- iv) **clear, accessible policies and procedures:** apply company procedures across the board through effective controls thereof, supervising the areas with a bribery risk, particularly with regard to political donations and contributions, gifts, promotional expenses, denying any requests to facilitate payments and taking action in the event of suspected cases of bribery;
- v) **effective implementation:** actual integration of the in-house control systems, of the staff recruiting and remuneration policies, of external and internal communications and of staff training;
- vi) **monitoring and review:** internal and external audits and verification to evaluate the effectiveness of the bribery prevention procedures and internal policies and decide how often to review these.

