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CODE OF ETHICS

FAAC Group

**Approved by the
Board of Directors of FAAC S.p.A.
on 28th July 2016**

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INTRODUCTION

1. MISSION

FAAC S.p.A. (Hereinafter referred to as “FAAC” or “the Company”) and its subsidiaries (below jointly “FAAC Group”) are companies that operate in the vehicle and pedestrian access control and toll collection in the automation systems sector for residential, commercial and industrial applications.

The company is deeply rooted in and attentive to the needs of its local market and at the same time, through its development in over 50 years of business, today it has a widespread international presence capable of meeting every type of design or commercial requirements with outstanding lead times and methods.

Because of the attention and care with which they are manufactured and the quality of the raw materials used, the FAAC Group products are certified as high-quality products that comply with current legislation.

The application of the latest and most advanced production processes ensures a high level of quality at every stage of the manufacturing process.

FAAC Group's mission is to ***provide high quality vehicle and pedestrian access control and toll collection for automation systems for vehicles and pedestrian of high quality; aiming for maximum customer satisfaction by ensuring the long-term reliability of its products and services and by complying strictly with safety standards.*** The way to pursue this mission is to enhance the professionalism and passion of all those whose daily contribution helps to make FAAC Group unique in its sector: shareholders, employees, collaborators, suppliers and customers.

2. ETHICAL APPROACH

FAAC Group operates in the automation systems market and understands that it has to interact with it. The company firmly believes in the ability of market mechanisms to generate efficiency, economic growth and wealth. However, accepting the market rules and challenges does not mean focussing on it alone. The market is indeed a major factor, but not the only one that a company has to deal with today.

Recognising the value of the expectations of all those who are directly or indirectly related to the company is something that is closely connected to ethics, a value that in its truest sense, has significance only in relation to others, in which their rights and

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dignity are recognised, and in a context in which there are clear reference values.

The FAAC S.p.A. Board of Directors has formally adopted this Code of Ethics in order to clearly define the set of values that FAAC Group recognise, accept, share and deem essential for ensuring the smooth running, reliability and reputation of the group.

FAAC Group oversee compliance with the Code of Ethics by using appropriate information, prevention and control tools and by ensuring that the transparency of operations and conduct are implemented and by taking corrective action, if required.

The Code of Ethics is integral part of the Organisation, Management and Control Model adopted by the Company FAAC S.p.A. pursuant to Italian Legislative Decree 231/2001. The Code is published on all Group Company's websites.

GENERAL ETHICAL PRINCIPLES

3. VALUE OF INDIVIDUALS

The value of individuals is a fundamental principle that governs the way FAAC Group carries out its activities.

FAAC Group undertakes to use listening and dialogue as instruments for continuous improvement both for the proposal of solutions to customers and for the enhancement of the professionalism and skills of its collaborators.

4. HUMAN RIGHTS

While carrying out its business, FAAC Group supports and respects human rights and promotes their implementation within its sphere of influence.

FAAC Group undertakes not to contribute in any way, even indirectly, to abuses of human rights.

5. LEGALITY

FAAC Group's fundamental principle is the compliance with the laws and regulations in force in all the countries in which it operates.

Employees, collaborators, suppliers, customers and anyone who has relations with FAAC Group undertake to observe this principle.

FAAC Group will not start or continue any relationship with anyone who does not intend to observe this principle.

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6. FAIRNESS AND TRANSPARENCY

Every operation and transaction is properly recorded, authorised, verifiable, legitimate, consistent and appropriate, according to current regulations and internal procedures.

Corrupt practices and collusive conduct is forbidden without exceptions.

7. EQUITY

FAAC Group undertakes to eliminate from its conduct any form of discrimination based on gender, age, race, religion, political and trade-union affiliation, language or health condition of the people with whom it interacts.

8. SAFEGUARDING HEALTH AND SAFETY

FAAC Group considers the physical integrity of its collaborators as a primary value and guarantees safe and healthy work environments in compliance with current regulations.

9. SUSTAINABLE DEVELOPMENT

FAAC Group sets its growth strategy according to the principle of sustainable development.

FAAC Group protects the environment as a primary asset and defines its business management policies in order to ensure compatibility between economic initiatives and environmental requirements by encouraging the development of environmentally friendly technologies.

FAAC Group does not tolerate conduct that does not comply with the general ethical principles described above.

PRINCIPLES OF CONDUCT

10. RELATIONS WITH INSTITUTIONS, ASSOCIATIONS AND LOCAL COMMUNITIES

FAAC Group encourages an ongoing dialogue with institutions and civil society bodies in all the countries in which it operates, basing relationships with these entities on the principles of transparency, fairness and loyal collaboration.

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11. RELATIONS WITH CUSTOMERS

Relations with customers are governed by the principles of legality, fairness, transparency and professionalism.

FAAC Group aims for maximum customer satisfaction by supplying high quality products in compliance with the rules of competition.

In order to ensure a responsible conduct and that consumers are well informed, communications are exhaustive, accurate, truthful and appropriate.

12. RELATIONS WITH SUPPLIERS AND EXTERNAL COLLABORATORS

Relations with suppliers and external collaborators (including consultants and agents) will be duly formalised and documented.

FAAC Group selects its suppliers and collaborators based on parameters of quality of the goods and/or services supplied, fairness, objectivity and in compliance with the principle of competition.

The price of the goods and services supplied is fair and commensurate with the service indicated in the contract.

FAAC Group starts and continues business relations only with suppliers and external collaborators who undertake to:

- comply with the principles indicated in the Code of Ethics
- comply with the conditions of the contract
- meet the requirements of FAAC Group and its customers in terms of quality, costs and delivery times
- protect human rights

13. RELATIONS WITH HUMAN RESOURCES

FAAC Group's main asset is its human resources, the skills, aspirations and professionalism of which are enhanced by the company.

Undeclared work, forced labour and exploitation are not tolerated in any form.

Any kind of discrimination or abuse is forbidden: every decision regarding human resources is made according to criteria of merit and competence, without favouring applicants recommended by others.

FAAC Group guarantees freedom of association to workers and recognises the right to

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collective bargaining.

14. SAFEGUARDING HEALTH AND SAFETY AT WORK

FAAC Group undertakes to spread and strengthen a safety culture by raising the awareness of risks and current legislation and by encouraging all its collaborators to adopt a responsible conduct.

FAAC Group ensures full compliance with the current standards regarding health and safety at work and undertakes to provide the necessary organisation and means, including information and training, in order to monitor, manage and prevent work related risks.

15. PROTECTION OF PRIVACY

FAAC Group processes all the personal and sensitive data in its possession in a lawful and fair manner, guaranteeing the rights of the data subjects and preventing unauthorised access by third parties.

16. RELATIONS WITH THE PUBLIC ADMINISTRATION

The relations with the Public Administration, including public supervisory authorities, are reserved exclusively to delegated and authorised corporate roles.


These relations are characterised by maximum transparency, fairness, completeness and traceability.

FAAC Group undertakes:

- not to obtain undue contributions, subsidies or funds granted or provided by the Public Administration by using or submitting false or untrue documents or omitting required information
- not to use public contributions, subsidies or funds for purposes other than those for which they are granted
- not to earn any other kind of undue profit by using subterfuges or stratagems to the detriment of the Public Administration
- not to maintain relations with individuals who are required to make statements in criminal proceedings involving the FAAC Group.

17. GIFTS, PRESENTS AND OTHER BENEFITS

Gifts, presents and other benefits, even if only promised, to customers, directors, statutory auditors, collaborators, suppliers, public officials or public service employees

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are allowed only when duly authorised and documented, of a low value and anyway such that they cannot be interpreted by third parties as being aimed at improperly obtaining an unfair advantage. In any case, they should not be in any way intended to influence or reward an act of the receiver's office.

Every director, statutory auditor, employee or collaborator of the Group will decline any gifts or presents beyond the normal practice of courtesy and will also decline to accept, for themselves or for others, any other offer of benefit or advantage aimed at influencing his/her independence of judgement and operational fairness.

Any director, statutory auditor, employee or collaborator who, because of the work they perform on behalf of the FAAC Group, who may receive gifts or other kinds of benefit, even at his/her own house and in contrast with the above, will take any appropriate initiative to refuse that gift or benefit and immediately inform their immediate supervisor or reference person in order for an appropriate assessment to be made.

CODE APPLICATION PROCEDURES

18. ADOPTION AND DIFFUSION

The FAAC S.p.A. Board of Directors is the only corporate body in charge of adopting and amending the Code of Ethics.

The Code is distributed to all employees and brought to the attention of all individuals with whom FAAC Group has relations. It is also published on all Group Company's websites.

19. SCOPE

The principles of the Code apply to all those who work with FAAC Group: directors, statutory auditors, managers, employees, collaborators, suppliers and customers.

20. SUPERVISORY BOARD

The Supervisory Board of FAAC S.p.A, established pursuant to Italian Legislative Decree 231/01, is responsible for promoting and overseeing compliance with the Code of Ethics.

More specifically, the Supervisory Board, including through the activities carried out by the Internal Auditing department of FAAC S.p.A.:

- promotes the issue of procedures in order to implement the Code
- proposes updates to the Code, if required

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- verifies that any information received regarding breaches of the Code is true and submits the results of these verifications to the appropriate corporate authorities so that appropriate measures are implemented.

21. BREACHES

Compliance with the Code of Ethics is one of the contractual obligations for all those who work with FAAC Group.

If a breach of the Code of Ethics by its employees is ascertained, FAAC Group will adopt the disciplinary measures provided for in the applicable collective bargaining agreement or if those involved are not employees, it will adopt any measure it might deem necessary and/or appropriate to prevent the same breach from being repeated.

The measures adopted may include the employee's dismissal or the interruption of commercial relations with a supplier/collaborator, with the requirement of compensation for damages.

Alleged breaches of the Code of Ethics must be reported in writing to the Supervisory Board at the address below:

Organismo di Vigilanza D.Lgs. 231
FAAC S.p.A. Soc. Unipersonale
Via Calari, 10 - 40069 Zola Predosa (BO)
or via email to: odv231@FAACgroup.com.