

MESGO S.p.A.

MODEL OF ORGANIZATION, MANAGEMENT, AND CONTROL

Pursuant to and for the purposes of Legislative Decree 8 June 2001, no. 231,
and subsequent amendments and integrations

CODE OF ETHICS

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HISTORY OF CHANGES

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1. INTRODUCTION

The Code of Ethics is the document that describes the values that guide the Company in the conduct of its business activities, and the procedures for their implementation.

These values, representing the core of the Company's vision and mission, are the following: legality, honesty, transparency, and professional rigour.

The Code of Ethics is the result of a complex teamwork that involved the shareholders, the directors, the employees and the consultants of the Company, with particular attention to sensitive areas referred to in the Model.

The Code of Ethics applies to the Company, as well as all the companies subject to its control, even if operating abroad, taking into account the differences in regulatory, social and economic issues.

From here on, the aforementioned companies will be identified by the comprehensive expression MESGO Group.

1.1. THE VISION

The vision of MESGO Group is to become a multinational business enterprise that is:

- reference point in the field of rubber compounds;
- responsive to the needs of its customers; and
- able to adapt to rapid market changes.

MESGO Group aims to consolidate over time its reputation as a leader in the market of rubber compounds, pursuing a business model centred on the absolute quality of its products, and a high level of customer service that is therefore able to create value for everybody.

1.2. MISSION

MESGO Group intends to implement a business strategy that can:

- ensure a high level of support and service to customers;
- diversify and expand as much as possible the range of products offered;
- guarantee a competitive quality/price ratio; and
- promote profitable and sustainable growth in accordance with the ethical principles.

1.3. REFERENCE VALUES

Legality. It is the commitment to comply with laws and regulations in force from time to time – including the provisions of the Decree – during the course of business.

Honesty. It is the commitment to respect and protect the physical and moral integrity and dignity of people in the workplace, and the exercise of authority (in all its forms) fairly and correctly.

Transparency. It is the commitment to promote, in every area and at every corporate level, clear, complete, and updated circulation of information.

Professional rigour. It is the commitment to constantly pursue the improvement of human and technical resources of the company to ensure the utmost standards of quality.

2. RULES OF CONDUCT

The Code of Conduct expresses the ethical principles and values underlying the conduct of those who work with MESGO Group.

2.1. CONDUCT WITH SHAREHOLDERS

Promote the interest of shareholders in respect of the values

The members of the governance bodies of MESGO Group undertake to act in the interests of its shareholders in the pursuit of business goals, ensuring full respect for the values of legality, honesty, transparency, and professional rigour.

Implement protocols of conduct to ensure respect for the values

The governance bodies of MESGO Group undertake to adopt and implement specific protocols of conduct that ensure, among other things:

- the formalization of internal procedures;
- the separation of roles and tasks of those working on behalf of MESGO Group;
- the attribution of internal proxies and powers of attorney consistent with the responsibilities assigned;
- the traceability and control of transactions;
- the transparent management of financial resources;
- the traceability and control of financial flows;
- the documentation, justification, and substantiation of decision-making;
- the documentation of controls carried out;
- the clarity and timeliness of information flows.

Adopt corporate policies able to create value

MESGO Group intends to adopt corporate policies oriented to the responsible use of financial resources and, at the same time, to make strategic and calibrated investments to ensure an ongoing sound financial position and value creation for its shareholders over the medium-long term.

Spread a true culture of business ethics

The directors and senior management of MESGO Group undertake to be guided by the ethical principles, and to respect the values of legality, honesty, transparency, and professional rigour in setting the goals of the business.

They also undertake to give substance, through their conduct, to the values contained in the Code of Ethics to ensure the dissemination of a true culture of business ethics.

The auditors and independent auditors of MESGO Group undertake, in turn, to ensure respect for and observance of the Code of Ethics in performing their respective functions.

2.2. CONDUCT WITH EMPLOYEES

Respect and protect the physical and moral integrity and dignity of employees

MESGO Group recognizes that the respect and protection of physical and moral integrity and dignity of people in the workplace are the foundation on which to build an efficient working team able to carry out its mission.

Board directors and senior executives together undertake to avoid at any time any kind of discrimination, and to promote a work environment based on open and transparent communication, merit, equality, and mutual respect.

Protect the health and safety of employees

MESGO Group is committed to protecting at all times the health and safety of its employees in the workplace, through the consolidation of a prevention system that can identify the risks and, at the same time, raise awareness of workers on the prevention and protection measures adopted in compliance with regulatory standards.

Recognize and enhance the technical and professional skills of employees

MESGO Group is committed to enhancing the technical and professional skills of its employees, and to offering each of them the opportunity to develop their skills and creativity, investing in training courses that stimulate and at the same time ensure their continuous professional growth.

Clearly define responsibilities and goals

MESGO Group is committed to clearly defining with precision and clarity the roles and responsibilities of employees to ensure that their assessment is based on merit and on the achievement of clear and shared goals.

2.3. CONDUCT WITH CUSTOMERS AND DISTRIBUTORS

Be constantly updated on the news of the industrial sectors

MESGO Group, in its intent to respond in the best possible way to the multiple demands of customers and distributors, considers it essential to constantly update its employees as much on the technical innovations as on the new needs of the different industrial sectors with which it interfaces.

Invest in research and development and marketing

MESGO Group intends to dedicate significant resources to research and development, as well as marketing activities, especially those aimed at the knowledge of the needs of its customers, monitoring market trends, to offer an efficient service, in step with the times and able to create added value.

Offer a complete, integrated and customized range of products

MESGO Group is committed to providing its customers and distributors with a complete and integrated range of products and services tailored to the different needs and consistently of high quality.

Assign a central role to its customers and distributors

MESGO Group places at the centre of its business activity its customers and distributors, listening to and understanding their requests and by providing clear and comprehensive answers.

To this end, MESGO Group intends to ensure that relationships with customers and distributors are based on transparency and objectivity, especially through its employees, without creating false expectations.

2.4. CONDUCT WITH SUPPLIERS AND CONSULTANTS

Be fair and transparent in choosing suppliers and consultants

MESGO Group is committed to selecting its suppliers and consultants on the basis of clear and objective procedures, and to dealing with them in honesty and good faith.

Create long-term business relationships

MESGO Group recognizes that suppliers and consultants play an important role in the creation of business value, and therefore intends to build stable business relationships based on transparency.

Require suppliers and consultants to respect the ethical principles

MESGO Group believes it is essential, for a more concrete dissemination of business ethics that its suppliers and consultants be committed to respecting the values expressed in the Code of Ethics.

2.5. BASIC PRINCIPLES ON CORRUPTION

In addition to the above, MESGO Group undertakes to adopt and implement protocols of conduct that will reduce as much as possible the commission of acts of corruption.

In doing so, MESGO Group is committed to abiding by the following principles:

- full compliance with laws and regulations;
 - the shareholders and all employees of MESGO Group shall be committed to respecting the laws and regulations in all countries where MESGO Group operates;
 - the employees must be aware of the laws and regulations in force from time to time;
 - MESGO Group must ensure adequate information and continuing training programs for its employees on issues relating to the Code of Ethics;
- correct execution and recording of each accounting transaction;
 - each accounting transaction must be duly authorized, ensuring a clear-cut separation of functions between those who request, authorize, and perform such transaction;
 - each accounting transaction must be duly recorded to allow at any time the verification of the decision-making, authorization, execution, and control process of such transaction;
- prohibition to make payments and/or other donations in favour of public employees;
 - in relation to any dealings with the government, it is forbidden to offer, directly or indirectly, money, gifts or other benefits (including employment opportunities) to obtain a more favourable treatment;
 - in dealing with the government, it is forbidden to improperly influence in any way the decisions of the other party or solicit confidential information.

2.6. BASIC PRINCIPLES ON HEALTH AND SAFETY AT WORK

In addition to the above, MESGO Group undertakes to adopt and implement protocols of conduct that will reduce as much as possible the commission of intentional crimes in the area of health and safety at work.

In particular, MESGO Group is committed to following the principles and fulfilling the obligations outlined by the consolidated occupational safety act (Legislative Decree 81/2008), including:

- eliminate risks and, where this is not possible, minimize them in relation to technological progress;
- assess any risks that cannot be eliminated;
- respect the principles of ergonomics and health in the workplace;
- replace hazardous materials with non-hazardous or less hazardous materials;
- plan appropriate measures to ensure the improvement of safety levels over time;
- give priority to collective over individual prevention measures;
- provide appropriate instructions to employees.

2.7. BASIC PRINCIPLES ON ENVIRONMENTAL MATTERS

Regarding its activities that may have environmental impact, MESGO Group undertakes to respect at all times the environmental legislation, and to implement all the necessary preventive measures.

In particular, MESGO Group intends to:

- plan constant monitoring of work processes that may have environmental impact;
- adopt appropriate measures to prevent any risks to the environment;
- promote the values of training and constant updating on environment matters.

3. INITIATIVES TO IMPLEMENT AND SPREAD THE CODE OF ETHICS

3.1. IMPLEMENTATION OF THE CODE OF ETHICS

MESGO Group is committed to guiding its conduct based on the values expressed in the Code of Ethics.

Governance bodies and senior management will encourage those who work in the interest of MESGO Group, starting with the shareholders, to comply with the Code of Ethics, and to actively promote, through their conduct, a culture of business ethics.

Initiatives respecting the shareholders

The shareholders of MESGO Group are required to:

- be updated on the contents of the Code of Ethics;
- observe the Code of Ethics, and actively contribute to its implementation and spread;
- periodically consult with the governance bodies and senior management to promote improvements and/or additions to the Code of Ethics, and be informed on the initiatives for its implementation and spread;
- report to the responsible corporate bodies any violations of the Code of Ethics.

Initiatives respecting the employees

MESGO Group undertakes to start specific information and training activities for its employees on the contents of the Code of Ethics.

In particular, the employees will be trained on how the values expressed in the Code of Ethics must guide their daily work tasks, on the protocols of conduct adopted by MESGO Group to ensure full respect for the values of legality, honesty, transparency, and professional rigour, as well as on how to report any misconduct to the responsible corporate bodies.

Initiatives respecting customers and distributors

MESGO Group is committed to raising awareness also among its customers and distributors on the contents of the Code of Ethics, as well as on the importance of their full compliance.

Initiatives respecting suppliers and consultants

MESGO Group also undertakes to inform its suppliers and consultants on the contents of the Code of Ethics, and to encourage, through the formalization of specific commitments, respect for the values of legality, honesty, transparency, and professional rigour in the conduct of their business.

3.1.1. ETHICS COMMITTEE

In order to ensure an effective implementation of the values expressed in the Code of Ethics, MESGO Group has resolved to set up an internal collective body – called the Ethics Committee – dealing with business ethics issues.

Composition of the Ethics Committee

The Ethics Committee is composed of a head for ethical issues, called the Head of Ethics, a member of the Board of Directors, and a Company's auditor.

Appointment and term of office of the Ethics Committee

The Ethics Committee is appointed by the Board of Directors, and shall hold office for three years. The members of the Ethics Committee may be re-elected.

Functions of the Ethics Committee

The Ethics Committee has the function of monitoring the implementation and spread of the Code of Ethics within and outside MESGO Group.

Precisely, the Ethics Committee:

- promotes and ensures full compliance and integration between the values expressed in the Code of Ethics and the provisions of the Model;
- promotes and ensures respect for the values of legality, honesty, transparency, and professional rigour by the shareholders, the governance bodies, the employees, the customers and the distributors, as well as the suppliers and the consultants;
- promotes initiatives to foster knowledge and understanding of the Code of Ethics;
- defines training programs on corporate ethics;
- proposes to the Board of Directors changes and/or additions to the Code of Ethics;
- expresses opinions on the reports of the Head of Ethics;
- resolves on specific monitoring activities to ensure that the Code of Ethics is known and observed by all those to whom it is addressed;
- resolves on the opening of investigations to ascertain any violations of the Code of Ethics;
- suggests the adoption of disciplinary measures in cases of violation of the Code of Ethics.

In this capacity, the Ethics Committee reports regularly to the Board of Directors.

Meetings of the Ethics Committee

The Ethics Committee meets at least twice a year and, in any case, whenever the Head of Ethics or two of its members request it.

3.1.2. HEAD OF ETHICS

MESGO Group has identified the Head of Ethics as the person – possessed of strong moral qualities – who, in agreement with the Ethics Committee, oversees on a daily basis the implementation and spread of the Code of Ethics.

The Head of Ethics is assigned the task of spreading within the various company departments of MESGO Group the sense of belonging to a reality that places ethics at the heart of its business.

Therefore, through the Head of Ethics, MESGO Group ensures to its shareholders a consistent and effective implementation and spread of the Code of Ethics.

Appointment and term of office of the Head of Ethics

The Head of Ethics is appointed by the Board of Directors, after consultation with the Ethics Committee, and remains in office for two years. The Head of Ethics may be re-elected. The Head of Ethics shall be a person with in-depth knowledge of MESGO Group and experienced in business ethics.

Functions of the Head of Ethics

The Head of Ethics:

- ensures the implementation and spread of the Code of Ethics;
- provides reports and updates on the implementation and spread of the Code of Ethics;
- proposes to the Supervisory Board changes and/or additions to the Code of Ethics;
- suggests initiatives to foster knowledge and understanding of the Code of Ethics;
- acts as a liaison between the company departments and the Ethics Committee;
- organizes training programs on corporate ethics;
- resolves interpretation doubts on the provisions of the Code of Ethics, and if necessary consults with the members of the Ethics Committee;
- prepares an annual report on the implementation of the Code of Ethics, noting any problems;
- performs specific control activities to ensure that the Code of Ethics is known and observed by all those to whom it is addressed;

- collects reports of possible violations of the Code of Ethics;
- performs and/or supervises investigations to determine any possible violations of the Code of Ethics;
- reports any possible violations of the Code of Ethics.

In this capacity, the Head of Ethics reports regularly to the Ethics Committee.

Communications with the Head of Ethics

The primary purpose of the Head of Ethics is to promote a clear spread of ethical principles among those who work on behalf of MESGO Group also, if not primarily, through dialogue.

To this end, any requests for information and/or clarification on the Code of Ethics, as well as any reports of supposed violations of ethical principles can be addressed to the Head of Ethics, in person and/or by using any of the means specified below.

To allow the Head of Ethics to perform the assigned duties efficiently, it is essential that such requests be not submitted anonymously. In all cases, complete confidentiality will be guaranteed regarding both the requesting/reporting party and the type of request/report.

The Head of Ethics is committed to responding to any request for information and/or clarification within thirty days of receipt of the request, if it is not possible to do so immediately.

In cases of reports of supposed violations of ethical principles, the Head of Ethics will inform the Ethics Committee, and, according to its indication, perform and/or monitor investigations to establish possible violations of the Code of Ethics, always ensuring total confidentiality.

In more complex cases, hearings will be held before the Ethics Committee to determine the existence of the violation and its actual extent.

At the close of the investigation, the Head of Ethics will report to the Ethics Committee on the conclusions, and will recommend the disciplinary measures deemed most appropriate.

Requests for information and/or clarification and reports to the Head of Ethics must be addressed:

- in person, to the headquarters of the Company;
- by e-mail to the following address: responsabile.etico@mesgo.it;
- by mail to the following address: MESGO S.p.A., Via Lombardia 33, 24060 Carobbio degli Angeli (BG), to the kind attention of the Head of Ethics.

3.2. SPREAD OF THE CODE OF ETHICS

MESGO Group is committed to ensuring a timely internal and external spread of the Code of Ethics.

In particular, MESGO Group intends to provide the Code of Ethics to its shareholders, the members of the corporate bodies, its employees, as well as its suppliers and consultants, through:

- publication on the Company's website;
- posting in places accessible to all;
- distribution via e-mail and/or physical delivery.

The values expressed in the Code of Ethics will also be spread, internally and externally, using all the communication channels that MESGO Group usually uses.