

A vertical decorative element on the left side of the page, consisting of a series of parallel, dark blue diagonal stripes that run from the top-left towards the bottom-left.

CLN GROUP

CODE

OF

ETHICS

This edition of the CLN Group Code of Ethics
was approved by the Board of Directors of
C.L.N. COILS LAMIERE NASTRI S.p.A.
on March 8, 2016

CONTENTS	
INTRODUCTION	3
HOW TO USE THE CODE	3
BUSINESS BEHAVIOR	4
CONFLICT OF INTEREST	4
CONFIDENTIALITY AND INSIDER INFORMATION	5
CORRUPTION AND ILLICIT PAYMENTS	6
MONEY LAUNDERING	6
COMPETITORS	6
REPUTATION	7
CONFIDENTIALITY	7
EMPLOYEES	7
CHILD LABOR AND FORCED LABOR	8
FREEDOM OF ASSOCIATION	8
EQUAL OPPORTUNITIES	8
HARASSMENT	8
WORK ENVIRONMENT	9
PAY AND WORKING HOURS	9
HIRING AND PROMOTIONS	9
INTERNAL CONTROL SYSTEM, CORPORATE AND RECORDS	9
COMPANY ASSETS	10
EXTERNAL ACTIVITIES	10
OBLIGATIONS	10
EMPLOYEES WITH JOB ROLES OF RESPONSIBILITY	11
HEALTH, SAFETY AND ENVIRONMENT	11
HEALTH AND SAFETY IN THE WORKPLACE	11
ENVIRONMENTAL PROTECTION IN WORKING PROCESSES	12
ENVIRONMENTAL IMPACT AND PRODUCT SAFETY	12
EXTERNAL RELATIONS	13
CUSTOMERS	13
SUPPLIERS	13
PUBLIC INSTITUTIONS	14
TRADE UNIONS AND POLITICAL PARTIES	14
COMMUNITY	15
CORPORATE COMMUNICATION AND INFORMATION	15
MEDIA RELATIONS	15
ACCOUNTING AND INTERNAL AUDITING	16
IMPLEMENTATION AND GUARANTEES	17

INTRODUCTION

The C.L.N. COILS LAMIERE NASTRI S.p.A. is the parent company of a group of companies (hereinafter the "CLN Group" or simply the "Group") consisting of a number of subsidiaries in accordance with art. 2359 c.c. both in Italy and abroad (the "subsidiaries").

The Company believes necessary to establish a set of ethical principles and rules of conduct that must inspire its activities and those of its subsidiaries, aimed at spreading a solid ethical integrity and sensitive corporate culture to respect the laws in force in the various countries where it operates.

In the light of the above, it was considered necessary to adopt a Group Code of Ethics (the "Code"), bringing together a clear and transparent set of values to which the CLN Group is inspired for the achievement of business objectives.

The Group strives to ensure that these values are shared by all consultants, suppliers and any other party who have at any time a relationship with the Group. The CLN Group does not engage in or continue any relationship with third parties that refuse to abide by the principles of the Code.

HOW TO USE THE CODE

What is the Code?

The Code is a document approved by the CLN Board of Directors, which summarizes the principles of business conduct of the CLN Group, and the obligations and responsibilities of directors, managers and other employees. The Code constitutes a fundamental element for ensuring effective prevention and detection of violations of laws and regulations applicable to the Group.

Who does the Code apply to?

The Code applies to all members of the Board of Directors, managers and other employees of all subsidiaries of the CLN Group and to other individuals or companies who act in the name and on behalf of the Group ("recipients"). The CLN Group strives to ensure that the joint ventures (joint control) and the companies in which it holds a minority interest adopt Codes of Ethics whose principles are inspired by those of the Code and in any case, are not inconsistent with it. The CLN Group strives to ensure that the Code is considered a standard of excellence for the conduct of

business by those third parties with whom it maintains business relationships of a lasting nature such as advisors, experts, agents, customers and suppliers.

Where is the Code applied?

The Code applies in all countries in which the CLN Group operates and applies to all aspects of the Group.

Where can I find the Code?

The Code is delivered to all recipients but can also be consulted on the CLN Group website.

BUSINESS BEHAVIOR

The CLN Group carries out its activities in line with the principles contained in this Code and requires all recipients of the Code to perform their activities in the same way. All recipients of the Code must be aware of representing the CLN Group and that their actions affect the reputation of the Group and its internal culture. Therefore, they must conduct all Group business activities in compliance with the following policies.

Conflict of Interest

All recipients of the Code, in accordance with their functions and responsibilities, are committed to acting – in strict compliance with the law, regulations, established best practice in the sector, and this Code – in the exclusive institutional interest of the CLN Group for the more correct and effective pursuit of its corporate purpose, avoiding any conflict of interest, own or third parties, with companies of whatsoever involvement in the business to be treated and/or terminate and/or execute, their own or third party interests, while non-confrontational, specifying its nature, terms, origin and scope, and refraining from any further activities relating to the same matter as long as one is not expressly authorized to proceed, possibly according to special precautions and instructions.

By way of example, the following may lead to a conflict of interest:

- Economic interests of the employee and/or collaborator and/or their family in the activities of suppliers, customers and competitors.

- Using one's position in the company or of information acquired in their work so as to create a conflict between their personal interests and those of business.
- Acceptance of money, favours or benefits from persons, entrepreneurs or companies that have or intend to have business relations with the CLN Group.
- The existence of stable work or collaboration with companies or professionals having contractual relations with the CLN Group.

Confidentiality and Insider Information

All recipients of the Code are required to strictly observe existing laws on privacy.

The CLN Group adopts the minimum-security measures required to reduce as far as possible and according to the technical progress, risk communication/dissemination of the data of which is not authorized holder, of unauthorized access or, in any case, of treatment not allowed. All recipients, in the exercise of their functions and within its competence, are responsible for implementing these security measures, both as regards the computer tools, both regarding archives and paper files.

Outside of what they legally and/or contractually are permitted, the recipients of the Code shall not use, disclose or disseminate any corporate news however learnt, to be understood as of now unconditionally reserved, as well as commercial or industrial secrets, or, anyway, any news/business document objectively reserved or even referred to as such by the CLN Group and acquired by it by virtue of and/or on the occasion of ongoing relations. For example, it is to be pointed out that the following should be considered confidential company information: all the know-how and all information related to research and development, products, patented or registered and unregistered, owned and/or elsewhere in the availability of the CLN Group or business customers and/or suppliers, all related documents, codes, drawings, formulas, computer data, programs, ideas of any retained support, and all information relating to the organization of the CLN Group, etc.

Particular attention should be given by the recipients on the communication and/or dissemination of documents, news and information concerning the scope of the CLN Group activities not in the public domain. The disclosure of that information, even if the directors or managers specifically appointed have authorized its dissemination, will always occur through the channels and the parties specifically responsible under the policy established by the CLN Group.

Corruption and Illicit Payments

All recipients, in the exercise of their functions and within its competence, are responsible for the implementation of these preventative measures. The CLN Group and the recipients of the Code are committed to meeting the highest standards of integrity, honesty and fairness in all relationships within and outside the Group, in accordance with national and international laws against corruption.

The Group does not tolerate any kind of corruption (accepting or offering money to obtain an improper business advantage) towards:

- neither to public service officials, representatives or any other party connected with public officials, to exercise their functions and/or their powers, or omit or delay or for having omitted or delayed an act of their office;
- nor of directors, general managers, managers responsible for preparing corporate accounting documents, auditors and liquidators of companies that they may fulfil or omit acts in violation of the obligations inherent to their office or duties of loyalty.

No director, officer, and other employee, agent or other representative shall directly or indirectly accept, solicit, offer or pay sums of money or other benefits (including gifts or gratuities, with the exception of commercial items of modest economic value commonly accepted internationally and permitted by applicable law) as a result of unlawful pressure.

Where required by law, or where appropriate, the companies of the CLN Group establish organizational models to assess and ensure compliance with applicable law and the Code.

Money Laundering

The CLN Group and recipients of the Code shall not be engaged or involved in any activity which may imply the laundering (i.e. the acceptance or processing of proceeds of criminal activities in whatsoever form or mode) and/or the self-laundering (i.e. the use in economic activities, finance and business of money, goods or other use fruit of a crime committed by the same perpetrator).

Competitors

Aware of the vital importance of the existence of a competitive market the CLN Group is

committed to respecting all the rules and regulations on competition and transparency in commercial operations.

Therefore, the CLN Group and the recipients of the Code do not engage in business practices (such as the creation of files, market divisions, etc.), which may represent a breach of competition laws. Within the framework of fair competition, the CLN Group will not knowingly violate third party intellectual property rights.

Reputation

The corporate image of the CLN Group, as well as the reputation and the sustainability of its products are necessary conditions for its existence both in the present and in the future.

Therefore, administrators, managers and other employees of the CLN Group must always and scrupulously respect the Code. It is essential that employees share their commitment to comply with the Code and collaborate with the Group for the application of its regulations.

Confidentiality

In carrying out its normal business activities, the CLN Group collects a significant amount of personal data and confidential information, which is committed to processing in compliance with all applicable laws regarding confidentiality in force in the jurisdictions in which it operates and including best practice privacy protection requirements. To this end, the CLN Group ensures a high level of security in the selection and use of its information technology systems designed to process personal data and proprietary information.

EMPLOYEES

The CLN Group recognizes that the motivation and high professionalism of its people are an essential factor in maintaining competitiveness and ensuring customer satisfaction. The following principles, in accordance with national laws, the Universal Declaration of Human Rights and the fundamental conventions of the International Labor Organization (I.L.O.), confirm the importance of respect for the individual, ensure equality of treatment and exclude any form of discrimination. The CLN Group supports the protection of fundamental human rights.

Child Labor and Forced Labor

The CLN Group does not employ any form of forced labor, forced labor or child labor, or does not employ people younger than that established for starting work by the legislation of the place where the work is carried out and, in any case, younger than fifteen, unless an exception is expressly provided by international conventions and by local legislation. The CLN Group is also committed to not establishing or maintaining working relationships with suppliers that employ child labor, as defined above.

Freedom of Association

Employees of the CLN Group are free to join a trade union in accordance with local law and the rules of the various trade unions. The CLN Group recognizes and respects the right of its employees to be represented by trade unions or other representatives established in accordance with the local legislation and practices in force. When the CLN Group engages in negotiations with such representatives, his actions and his behavior are aimed to a constructive approach and relationship.

Equal Opportunities

The CLN Group is committed to providing equal opportunities in employment and career advancement to all employees.

The head of each department must ensure that all aspects of the employment relationship, such as recruitment, training, compensation, promotion, transfer, and termination of employment itself, employees are treated according to their abilities to meet the requirements of the job, avoiding any form of discrimination and, in particular, discrimination based on race, gender, sexual orientation, social and personal position, physical and health condition, disability, age, nationality, religion or belief.

Harassment

The CLN Group considers absolutely unacceptable any type of harassment or harassing behavior, such as those related to race, gender or other personal characteristics, which have the purpose

and effect of violating the dignity of the person to whom such harassment or behaviors are addressed, both inside and outside of the workplace.

Work Environment

All employees must work to maintain a good and collaborative working environment in which the dignity of each individual is respected.

In particular, all employees of the CLN Group:

- shall not work whilst under the influence of alcohol or drugs;
- in places where smoking is not prohibited by law must be sensitive to the needs of those who may physically suffer from the effects of "passive smoking";
- must avoid behavior that might create an intimidating or offensive climate with respect to colleagues or subordinates for the purpose of marginalizing or discrediting them in the workplace.

Pay and Working Hours

Salaries and benefits paid to the employees of the CLN Group meet at least the applicable legal requirement.

In relation to working time and paid leave, the CLN Group complies with local legislation and practices of the country in which it operates.

Hiring and Promotions

No employee of the CLN Group shall accept or demand promises or transfers of money or goods or benefits, inducements or services of any kind that may be designed to promote the recruitment of an individual as an employee or his transfer or promotion.

Internal Control System, Corporate and Records

All managers and other employees of the CLN Group are required to maintain effective internal control systems. To achieve this standard they are required, among other things, to keep accurate and complete internal records of all business activities and to ensure that the operations and the assumption of contractual commitments have been appropriately authorized by the appropriate supervisor. In addition, business expenses are to be reported in an accurate and timely manner.

Company Assets

All directors, managers and other employees of the CLN Group must use company assets and resources to which they have access or which are in their care in an efficient manner, solely in order to achieve the business goals and objectives of the CLN Group and are also expected to use such assets is appropriately to protect their value.

In addition, all directors, managers and other employees of the CLN Group are responsible for protecting those assets and resources against loss, theft and unauthorized use or disposal. Any use of such assets and resources that might be contrary to the interests of the CLN Group or that may be dictated by professional reasons outside the working relationship with the CLN Group. All directors, managers and other employees of the CLN Group are expected to follow the Guidelines of the Group regarding the use, access and security of software and other information technology, e-mail systems, Internet and intranet.

External Activities

Managers and other employees of the CLN Group may not be members of boards of directors of other companies without the authorization of the CLN Group and may not engage in recurring private business activities that interfere with their respective obligations towards the Group. All of the employment relationship of officers or employees of the CLN Group with business partners or competitors of the Group, or the provision of services to them, require prior written approval from the appropriate supervisor.

Obligations

The Code is an integral and essential part of the employment relationship of every manager and other employee of the CLN Group. As a result, the CLN Group expects all managers and employees to strictly comply with the Code. Any violation of the Code's regulations is therefore to be treated seriously and with the consequent adoption of appropriate sanctions (which in certain cases can lead to the termination of the working relationship).

Accordingly, all officers and other employees are required to:

- read and understand the Code and, if necessary, attend training courses;

- adopt actions and behavior consistent and with the Code, refraining from any conduct that may damage the CLN Group or compromise the honesty, impartiality or reputation in any way;
- comply with all internal procedures, introduced by the respective companies of the CLN Group for the purpose of complying with the Code or of identifying violations of the same;
- consult the Human Resources Office of the pertinent Company, for explanations regarding interpretation of the Code;
- give notice promptly and in good faith, regarding violations of the Code for employees to its Direct Supervisor or to the Supervisory Board pursuant to Legislative Decree n. 231/01 or equivalent institution in the country in which the Company operates;
- cooperate fully in any investigation regarding Code violations, maintaining strict confidentiality regarding the existence of the said investigations.

Employees with Job Roles of Responsibility

Anyone within the CLN Group having a role as supervisor, department head or manager must be an example promoting positive employees morale, fostering transparent exchange of ideas, and providing leadership and guidance in accordance with the principles of conduct concerning the contents of the Code and, with one's behavior, must demonstrate to the employees that respecting the Code is an essential aspect of their job, making sure that employees are well aware of the fact that business results are never separated from the respect of applicable laws and of the Code. All hierarchical seniors, area managers and executives shall report any failure to comply with the Code and the responsibility to ensure the protection of those who had carried out in good faith reporting of violations of the Code and to adopt and implement, having first spoken to the Human Resource office of the related organization of the Company, sanctions commensurate with the violation committed and strong enough to represent a deterrent against any further violations.

HEALTH, SAFETY AND ENVIRONMENT

Health and Safety in the Workplace

The CLN Group recognizes health and safety in the workplace as a fundamental right of employees and a key element concerning the sustainability of the Group. All decisions made by the CLN Group must respect the health and safety in the workplace. The CLN Group has adopted and continues to improve an efficient occupational health and safety policy at work, which is based

on preventive measures, individual and collective, to minimize the potential risk of injury in the workplace.

The CLN Group intends to ensure excellent working conditions at industrial level, according to the principles of hygiene, industrial ergonomics and individual regarding both organizational and operational processes. The CLN Group believes in the dissemination of a culture of accident prevention and risk awareness among workers, and actively promotes, in particular through appropriate training courses and information. Employees shall be personally responsible and take the preventive measures set by the CLN Group for the protection of their health and safety and communicated through specific guidelines, instructions, training and information. Each employee is responsible for proper management of safety and should not expose oneself or other workers to dangers that can cause injury or harm to themselves.

Environmental Protection in Working Processes

The CLN Group considers environmental protection as a key factor to promote in the overall approach to the company business.

The CLN Group is committed to continuously improve the environmental performance of its production processes and to meet all legal and regulatory requirements. This includes the development and extension of an effective environmental management and is based on the fundamental principles of minimizing the environmental impact and optimizing the use of system resources.

The CLN Group stimulates and encourages employees to actively participate in the implementation of these principles through the dissemination of information and training and expects the employees to have an active role in applying such principles in their working activity.

Environmental Impact and Product Safety

The CLN Group is committed to producing and selling, in full compliance with legal and regulatory requirements, products that meet the highest standards in terms of both environmental and safety performance.

In addition, the CLN Group is working to develop and implement innovative technical solutions to minimize the environmental impact and ensure safety at the highest levels.

EXTERNAL RELATIONS

The CLN Group and its employees are committed to conducting and enhancing their relationships with the various categories of third parties acting in good faith, with loyalty, fairness, transparency and with due respect for the fundamental values of the CLN Group.

Customers

The CLN Group pursues its aim to fully meet the expectations of the end customer. All directors of the CLN Group, its officers and other employees are required to act in order to exceed customer expectations and continually improve the quality of the products and services of the Group.

For the CLN Group is essential that customers are always treated fairly and honestly and therefore demands of its officers and other employees, and the other recipients of the Code that every relationship and contact with customers be characterized by honesty, professional integrity and transparency.

All employees shall follow the internal procedures of their respective company aimed at achieving this objective by developing and maintaining profitable and lasting relationships with customers, offering safety, service, quality and value supported by continuous innovation. The companies of the CLN Group in their dealings with customers shall not discriminate unfairly in dealing with them nor shall they unfairly use bargaining power at the expense of any customer.

Suppliers

The suppliers play a fundamental role in improving the overall structural competitiveness of the CLN Group.

In order to consistently maintain the highest level of customer satisfaction, the Group selects suppliers, through the use of appropriate, objective methods, on the basis of the quality, innovation, costs and services offered, as well as the social and environmental performance and the values outlined in the Code.

All CLN Group managers and other employees are expected to establish and maintain stable, transparent and cooperative relations with the suppliers.

Public Institutions

Relations with public institutions shall be managed only by duly designated departments and appointed individuals. All these relations must be transparent and conducted in compliance with the CLN Group values.

Gifts or favors (where permitted by law) in respect of public institutions representatives shall be modest and proportionate and, in any case, not be interpreted as aimed at obtaining or trying to obtain unfair advantages for the CLN Group.

The Group acts fully cooperating with regulatory and governmental bodies within the context of their legitimate activity. Should one or more of the CLN Group companies be subjected to legitimate inspections by public authorities, the CLN Group will cooperate fully.

Whenever a public institution is a customer or supplier of any of the CLN Group companies, the latter shall act in strict compliance with laws and regulations governing the purchase or sale of goods and/or services to that public institution.

Any lobbying activity shall be conducted only where permitted by applicable law and in strict compliance with such laws and, in any case, in strict accordance with the Code.

The CLN Group is committed to contributing to the technological advancement of the company and to collaborating with public institutions, universities and other organizations for the research and development of innovative solutions for sustainable mobility and related technology.

Trade Unions and Political Parties

Any relationship of the CLN Group with trade unions, political parties and representatives or candidates thereof shall be conducted with the highest level of transparency and fairness and in strict compliance with applicable laws.

Contributions in the form of money, goods, services or other benefits are prohibited, except those required or expressly permitted by law and, in the latter case, authorized by the competent corporate bodies of the relevant company of the Group. Any contributions by employees of the CLN Group, as well as the activity performed, shall be intended only as handed over as personal voluntary contribution.

Community

The CLN Group is aware that its decisions can have a significant impact, direct and indirect, on the local communities in which it operates. As a result, the CLN Group shall take all reasonable steps to inform those communities of relevant actions and projects and shall promote an open dialogue to ensure that their legitimate expectations are taken into due consideration. In addition, the CLN Group intends to contribute to the social, economic and institutional development of local communities through specific programs.

The CLN Group requires its employees to behave in a socially responsible manner, by respecting the cultures and traditions of each country in which the CLN Group operates and acting with integrity and good faith in order to merit the trust of the community.

Corporate Communication and Information

Communication and external relations influence, directly and indirectly, the development of the CLN Group. It is therefore necessary for these activities to be organized with clear, uniform criteria, which take into account both the needs of the various business lines and the economic and social role of the CLN Group as a whole, as well as applicable legal requirements. The information to the outside must always be timely and coordinated at CLN Group level, in order to reap the benefits of the size and potential of the CLN Group and to ensure completeness and accuracy.

Employees of the CLN Group in charge of spreading public information regarding sectors or CLN Group companies, business lines or geographical areas, in the form of speeches, participation in conferences, publications or any other form of presentation, must receive, where necessary, prior approval of the duly designated company department or appointed person responsible for external communications.

Media Relations

Media communication plays an important role in the creation of the CLN Group image; therefore, all information regarding the CLN Group must be provided in a truthful and uniform way only by the pertinent company department or by the appointed person responsible for external communications in strict compliance with the CLN Group policies. All other managers or employees shall not provide to the non-public information media representatives related to the

CLN Group, nor have with these any type of contact to disclose company confidential information and shall instead communicate to the person or to the competent department any question asked by the media.

ACCOUNTING AND INTERNAL AUDITING

The CLN Group will maintain high standards of financial planning and control and accounting systems consistent with and adequate to the accounting principles applicable to the CLN Group Company and in compliance with applicable laws. In carrying out this practice, the CLN Group operates with maximum transparency consistent with best business practices, with the aim of:

- ensure that all transactions are duly authorized, verifiable and legitimate;
- ensure that all operations are carried out promptly, accurately recorded, accounted for and duly documented in accordance with applicable accounting standards and best practices;
- timely delivery of complete financial reports, accurate, reliable, clear and comprehensible;
- identify, analyse and manage professional diligence risks related to all activities of the CLN Group;
- set up rigorous business processes to ensure that management decisions (including those relating to investments and disposals) are based on sound economic analysis including a prudent risk assessment and provide a guarantee that company assets are optimally employed;
- ensuring that decisions on finance, tax and accounting issues are made by the right level of management and in full compliance with applicable laws.

The CLN Group considers crucial to its success transparency in the accounting for each single transaction carried out. Therefore, the CLN Group requires all employees to attain to accurate, timely, detailed reports concerning financial transactions and other business transactions. Employees must keep true and accurate records of all financial transactions and other business transactions, accompanied by adequate supporting documentation. The irregular keeping of the account records is a violation of the Code and is considered illegal in almost all jurisdictions. It is therefore forbidden for any employee to behave or to be responsible for omissions that might lead to inaccurate or incomplete information including:

- the recording of false transactions;
- the incorrect registration of transactions or not sufficiently documented;

- the failure to record commitments, including guarantees that might generate responsibilities or obligations for CLN Group companies.

IMPLEMENTATION AND GUARANTEES

The CLN Group is committed to achieving the highest standards of best practice in relation to its moral, social and business responsibilities. The Code defines the expectations of the CLN Group with reference to the directors, managers and other employees and other third parties with whom it has a business relationship and the responsibility they must undertake to meet these policies. The management of the various Divisions of the CLN Group has the responsibility to ensure that these expectations are understood and put into practice by their employees. The management must ensure that the commitments in the Code are implemented at division level.

The Group implements training on the Code and its values throughout the organization.

The CLN Group encourages employees to solicit guidance from the pertinent Human Resources Office of the company concerning any situation regarding the Code that may be in doubt and as to which behavior may be appropriate.

All requests for clarification are given a timely response without any risk for the employee to undergo any form, even indirect, of retaliation.

Possible penalties for violations of the Code, proportionate to the particular violation of the Code, shall be adopted by the hierarchical senior, consulting if necessary, the opinion of the Human Resources Office of the pertinent Company, consistent with applicable laws and with their national or company employment contracts.

Any form of retaliation against anyone who reports made in good faith possible violations of the Code or requests for clarification on the procedures for applying the Code itself constitutes a breach. The behavior of anyone accusing other employees of a breach of the Code with the knowledge that such violation does not exist also constitutes violation of the Code.

The Code violations may lead, among other consequences including the initiation of legal proceedings, the termination of any fiduciary relationship between the CLN Group and the applicable employee as well with the contractual and statutory consequences with respect to the employment relationship envisaged by the rules force.

Any exceptions, even partial and limited in time and nature, in accordance with the Code may be authorized exclusively for serious and justified reasons and only by the Board of Directors of C.L.N. COILS LAMIERE NASTRI S.p.A. as Head Group.

Remarks and information requests
may be addressed to:

CLN S.p.A.
Corso Susa 13/15
10040 Caselette (TO) Italy

info@gruppocln.com

www.gruppocln.com