

**ETHICAL
CODE
of BAI GROUP
COMPANIES**



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INTRODUCTION

The Company

The history of BAI Group's Companies (hereinafter known as Companies or the Group) is linked to the establishment and development of the Company BAI Brescia Antincendi International Srl (hereinafter also BAI). Since its establishment in 1991, the Company has specialized in the development, production and marketing of customized fire and rescue vehicles, supplied to different kinds of customers: industries, local authorities, ministries and ministerial departments located in Europe, Africa, Middle East and Far East.

Over the years, BAI has consolidated and increased its structure, as well as extended its perimeter of operations internationally, to become a renowned industrial Group of reference in the development, production and marketing of fire-fighting vehicles.

The principles and provisions contained in this document, together with the Anti-Corruption Guidelines and the procedures adopted by the Companies, aim at a more precise definition of the values that the BAI Group recognizes, accepts and shares and of the responsibilities that the Group Companies assume inside and outside. Therefore, it expresses the commitments and ethical

responsibilities in conducting the business and activities undertaken by those who collaborate with the Group's Companies.

Ethical Code's recipients

The Recipients of this Code – who are required to comply with the provisions contained therein - are all those who operate within the BAI Group's Companies, without exception, as well as all the subjects who, permanently or temporarily, establish relations or relationships with these Companies and work to pursue their objectives.

Those in positions of responsibility (the so-called Top Management) are required to set an example for their collaborators, to guide them in compliance with the Code and to encourage them to respect it.

The Companies require their suppliers and customers to behave themselves in compliance with the general principles of this Code, thus preferring counterparties who act on the basis of the values, principles and rules of conduct expressed herein.

Finally, while aware of the cultural, social and economic diversity of the various countries in which the companies operate, the latter undertake to apply the Group's Ethical Code both in Italy and abroad.

VALUES

This Code contains the ethical values that characterize the organization and activity of the BAI Group Companies based on a management model that respects and safeguards human rights, the environment and the well-being of the community and which condemns all forms of corruption.

Compliance with Laws

Group companies consider the compliance with national and international regulatory provisions as a binding and essential condition for their actions. Violations of these provisions lead, as a consequence, to adequate sanctions against responsible persons.

Illegal conduct is in no case justified, even if it is based on the pursuit of interests or advantages in favor of Group Companies.

Anti-Corruption

In particular, the Group Companies ensure compliance with national and international anti-corruption legislation. For this purpose, they have prepared specific Anti-Corruption Guidelines that comply with

the main international anti-corruption regulations and conventions, including:

- Foreign Corrupt Practices Act (USA 1977),
- Bribery Act (UK, 2010),
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Paris, 1997),
- Criminal Law Convention on Corruption (Council of Europe, Strasbourg, 1999),
- United Nations Convention against Corruption (Merida, 2003).

BAI Group Companies have therefore inspired their internal procedures and protocols to the maximum transparency and correctness in the management of relations with the Public Authorities.

Companies ensure that in financial transactions the originator and the beneficiary coincide. Therefore, BAI Group's Companies - unless they could provide suitable justifications - do not accept or make payments:

- from/to current accounts held in the name of parties other than the contractual counterparty,
- from a country other than that of one of the parties or in which the contract is performed,

- in any case, from/to encrypted, anonymous or suspected fictitious current accounts.

Group Companies prohibit any form of direct or indirect contribution to political parties, movements, committees, political organizations and trade unions, even towards their representatives and candidates and even if made in relation to activities carried out abroad and/or against foreign subjects.

Respect for human rights and workers' rights

Considering as fundamental and natural the respect for human rights recognized internationally, BAI Group's Companies reject any form of labor exploitation, both direct and indirect, they guarantee adequate compensation to all employees and they recognize the right of workers to form trade unions and workers' representatives.

Fairness and impartiality

In their recruitment policies and human resource management, Group Companies reject any discrimination based on age, gender, sexuality, state of health, race, nationality, political opinions and religious beliefs.

Group Companies aspire to operate fairly and impartially, towards all their interlocutors and respecting the diversity of existing relationships.

Honesty and transparency

Honesty is a necessary requirement in carrying out all the activities of BAI Group Companies, initiatives, products, reports and communications. They represent a fundamental value and therefore constitute an essential element of company management.

Group Companies establish relationships based on correctness, loyalty, consistency and mutual respect with all those with whom they interact, ensuring a clear, transparent, accurate and timely dialogue.

Respect for workers' health and safety

Workers' health and safety are precious assets for BAI Group's Companies, and for this reason they are fundamental components of all company processes.

In order to ensure compliance with this value, Group Companies require all employees and collaborators to comply with the provisions relating to work safety and health protection.

Respect for the environment

BAI Group Companies manage their activities paying close attention to environmental protection.

For this reason, Companies, in compliance with the regulations in force in their countries of residence, undertake to apply the best available technologies in their processes and to promote the development of their activities aimed at enhancing natural resources and preserving the environment for present and future generations.

Confidentiality

Group Companies ensure the confidentiality of (common, particular or judicial) personal data in their possession, in accordance with current national legislation.

Furthermore, the Group asks its Recipients to keep strictly confidential and suitably protected confidential information and technical knowledge acquired through collaboration with Companies.

BEHAVIOR'S PRINCIPLES

Based on the values illustrated above, BAI Group Companies have developed the following principles of conduct to be observed in carrying out corporate activities.

Relations with Employees and Collaborators

Group Companies undertake to select their human resources on a merit basis, respecting equal opportunities and avoiding favoritism and discrimination.

Group Companies favor a working environment in continuous development, in which - thanks to professional updating - everyone's skills and competences can be enhanced and expanded, offering all employees equal opportunities for growth and fair treatment.

Likewise, Group Companies ask their human resources to behave with integrity within the work environment, i.e. oriented towards honesty, fairness and respect for decency. BAI Group Companies' employees must therefore avoid any type of conflict between their private interests and those of the Company.

Group Companies guarantee all their employees and collaborators (also including Intermediaries as defined by the Anti-Corruption Guidelines) correct information and training on anti-corruption matters.

Group Companies do not tolerate gifts that could compromise the Recipients' independence of judgment.

Relations with Suppliers

Group Companies undertake to select suppliers according to criteria of loyalty, correctness and impartiality, to not preclude those who meet the required requirements from the possibility of competing in the stipulation of contracts.

Relations with suppliers must be conducted in compliance with the law, with transparency and independence, guaranteeing the punctual fulfillment of the commitments undertaken towards them, acting with contractual honesty and fairness and avoiding to obtain unjustified advantages.

Gifts can be given or received if they fall within the context of acts of commercial courtesy, if they are not in cash, are if they are of modest value and such as not to compromise the integrity and/or reputation of one of the parties. Furthermore, they must not be capable of being interpreted by an impartial observer as intended

to create an obligation of gratitude or to acquire advantages improperly. In any case, the management of gifts offered or received must take place in compliance with the procedures/protocols defined by the Group Companies which ensure, among other things, their correct accounting and the support of appropriate documentation.

BAI Group Companies prohibit Recipients to get into contact with Suppliers involved in illegal activities and/or lacking the requisites of seriousness and reliability, and from entering into relationships with third parties who carry out activities harmful to the environment and health, whether indifferent to the rights of the person and who carry out corrupt activities for the benefit of the Company.

Relations with Customers

The Group Companies are committed to guarantee their customers a high standard of quality and safety of the products supplied and prompt and qualified intervention in the event of complaints.

In managing Customer requests regarding information on the characteristics of the products and services offered, all Recipients involved must collaborate in a

professional and transparent manner by providing truthful information.

BAI Group Companies manage relations with their customers in compliance with the confidentiality of the information acquired, adopting behaviors based on the utmost correctness and integrity.

Gifts can be given or received if they fall within the context of acts of commercial courtesy, if they are not in cash, if they are of modest value and such as not to compromise the integrity and/or reputation of one of the parties. Furthermore, they must not be capable of being interpreted by an impartial observer as intended to create an obligation of gratitude or to acquire advantages improperly. In any case, the management of gifts offered or received must take place in compliance with the procedures/protocols defined by the Group Companies which ensure, among other things, their correct accounting and the support of appropriate documentation.

BAI Group Companies prohibit Recipients to get in contact with Customers involved in illegal activities and/or lacking the requisites of seriousness and reliability, and from entering into relationships with third parties who carry out activities harmful to the environment and to health, whether indifferent to the

rights of the person and who carry out corrupt activities for the benefit of Group Companies.

Relations with Public Administration

All Recipients must conduct themselves based on the utmost correctness and integrity and any form of conviction or persuasion aimed at obtaining undue interests or advantages or unjustified favorable treatment is prohibited.

In particular, BAI Group Companies prohibit the Recipients from giving any form of gift to Public Officials (or their family members) which could influence their independence of judgement.

Any unofficial payment made to Public Officials is prohibited, even for the purpose of speeding up, favoring or in any case facilitating the performance of their duties.

If the Public Administration qualifies as a Customer, the prohibitions and precautions established in relations with Customers and Suppliers in the previous paragraphs are extended to Public Officials.

Relations with the Public Administration must be based on full and effective collaboration, making sure that all information requested are communicated

promptly in an accurate and truthful manner and favoring maximum transparency, clarity, correctness, in order not to mislead the institutional subjects that have relations in any form with the Group Companies.

Relations with Partners

The Group Companies guarantee loyal cooperation with the Partners for the achievement of common objectives and they undertake, towards them, to ensure the transparency of the agreements, albeit in compliance with any confidentiality constraints.

BAI Group Companies prohibit the signing of agreements prohibited by law or in fraud of the latter and any type of agreement contrary to the rules and principles regarding the protection of competition.

Relations with the community

BAI Group Companies - aware of the importance of protecting and respecting the environment - are constantly committed to improving their production technologies in order to prevent pollution and reduce harmful emissions for the benefit of the entire community.

VIOLATIONS AND SANCTION PROVISIONS

Any violations of the Group's Ethical Code must be reported, in English or Italian, through the following reporting channels:

**Organismo di Vigilanza di BAI Brescia Antincendi
International Srl**

c/o

Via Bruno Buozzi, n. 34 – 25021 Bagnolo Mella (BS)

or

e-mail ***odv@bai.it***

The Group Companies ensure the confidentiality of the person who makes the report, guaranteeing that the same does not suffer any retaliation, hardship or discrimination due to the report itself.

Compliance with the provisions of the Group Ethical Code is an essential part of the contractual obligations of the employees of each Group Company. Therefore, the violation of the provisions of the Group's Ethical Code may constitute a breach of the primary obligations of the employment relationship or a disciplinary offence, with all legal consequences.

In relations with Companies executives and directors, the strictly fiduciary nature of the tasks entrusted to them will determine, as an automatic consequence of

any behavior contrary to the principles of the Group's Ethical Code, the possibility of adequately sanctioning them, even reaching the point of revoking the office.

Compliance with the Group's Ethical Code must also be considered an essential part of the contractual obligations undertaken by collaborators and/or persons having business relations with Group Companies. The violation of these rules may therefore constitute a breach of contract, with all legal and contractual consequences, also regarding the termination of the relationship and compensation for damages.

ETHICAL CODE'S COMMUNICATION AND DISSEMINATION

BAI Group Companies undertake to promote and guarantee adequate knowledge of the Group's Ethical Code, disseminating it to all Recipients through specific and adequate communication activities.

The Ethical Code is available on the Group Companies website.