

MANAGEMENT AND CONTROL ORGANIZATION MODEL



CODE OF ETHICS

**As issued by the Financo S.r.l. B.o.D. on 31st/03/2014
in the version to be adopted by COLACEM SPA's
foreign subsidiaries**

APPROVED BY

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1. Purpose

Financo S.r.l. has established a Code of Ethics that formalises and defines rules and standards of conduct. The Code of Ethics **FINANCO** is a commitment to moral integrity and economic and social responsibility, which is the Financo's Group primary and fundamental value.

This Code of Ethics, intended to Foreign subsidiaries of COLACEM SpA, makes explicit reference to the FINANCO Code of Ethics and it faithfully reproduces its content, after deletion of specific references to the Italian national legislation, so as to allow its widespread implementation and adoption by the Company's foreign subsidiaries

The Financo Group, defined as the Financo Srl company, being the Parent Company and its subsidiaries that have adopted the code of ethics as part of their activities and in the conduct of their business, assumes, as its motivating principles, the rule of law and the respect of regulations, in a framework of integrity, fairness and confidentiality. It also seeks to reconcile the pursuit of market competitiveness with the respect of competition law and to promote, in a perspective of social, economic and environmental responsibility, the correct and efficient use of resources. Each Company is committed to the adoption, diffusion and periodic updating of **this** Code and to the evaluation of its implementation.

The rules of **this** Code for **Foreign Subsidiaries of COLACEM** apply to all "recipients", and that is, to each Director, consultant, manager and executive, auditor, to all employees of the Group companies, and to all those who have relationships with the companies of the Group.

1.1 Objectives

1.1.1 Introduction

The Code of Ethics is the tool of corporate conduct that aims to formalize the principles and standards of conduct in place in each company, creating the conditions for the correct implementation of corporate policies and specific control procedures.

One of the primary objectives of the Financo Group is the enhancement of the Group companies of the Group whilst creating, at the same time value for the "stakeholders". By this term, the company has identified the subjects that "bear interest" in the single companies' not merely economic initiatives. They are, for example customers, suppliers, financiers (banks and shareholders), collaborators, but also external interest groups, such as residents living in the vicinity of the businesses or local interest groups.

1.1.2 Moral integrity, economic and social responsibility

For Group companies, the economic responsibility goes far beyond the simple criteria of fairness and solvency. In the Financo Group the concept of citizenship and recognition of the stakeholders involves a continuous commitment to integrity in managing relationships.

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The attention to the overall conditions of local development is expressed in a constant participation of the Group companies to the tables and in the institutions critical to the economic future of the territory, as expressed in the processes of internationalisation and diversification that ensure a responsible response capacity to the economic challenges of the **moment**.

The **company** is a "person", albeit of legal nature, that fits into its part of the community, with its characteristics and its specific objectives. In this sense, it exercises a "citizenship" from which rights and responsibilities stem. In particular, as any other citizen, every company is committed to the responsibility of doing its job well: safety, attention to the environment, quality, fairness, innovation and strategic vision, promotion and development of human resources are all issues that affect the life of the whole community

1.1.3 Contractual value

The Code of Ethics stands as the set of basic guidelines that should govern the activities of the Company and guide the behaviour of the Recipients for the smooth, running, reliability and image of each Company.

The rules of the Code of Ethics are an essential part of the contractual obligations of the staff.

Each Company assesses, also under a disciplinary point of view, in accordance with local regulations and the company's disciplinary system, behaviour contrary to the principles enshrined in the Code of Ethics and, should the case be, applies the sanctions that the different severity of the facts may justify.

The serious and persistent breach of the provisions of this Code damages the relationship of trust established with the company and may result in disciplinary actions and liability for damages, by employees, always in compliance with the procedures applicable in the **individual** and collective **employment contracts** and in the **codes or disciplinary systems** adopted by each . Company

Compliance with the provisions of the Code is an essential part of the contractual obligations with collaborators. Any behaviour adopted by collaborators who have a relationship with any company, contrary to the rules laid down in the Code of Ethics may determine, as foreseen in specific contractual clauses included in engagement letters, agreements and contracts, the immediate resolution of the contractual relationship, in addition to any other claim by the Company, if such conduct causes material damage to the specific Company.

2. Vision and value, mission and ethical principles

2.1 Introduction

The Group requires each recipient to always follow a strict ethical behaviour that as principles of morality and sustainability with customers, suppliers, in relations with authorities, in general, and with the Italian and foreign Public Administration in particular, have always been practised.

2.2 Vision and values

The Financo Group operates mainly in the production and sales of cement, concrete and hydraulic binders and related activities (transport, financial services and group), as well as in other diversified activities. The Group stands out in these areas for its development capability and for its ability to adapt to the changing markets in which it operates.

The ability to create synergies with other Financo Group Companies allows each single Company to improve its economic performances, increasing the added value provided to the stakeholders.

The Financo Group has elected its operational and decision-making headquarters in the city of Gubbio, Italy, inspired by its traditions and its culture. It is not a coincidence that the Group inspires to the "pact between St. Francis and the wolf", herald of ethical and moral values and of a "quality of doing" culture; an ability to propose, shape and implement innovative and complex, highly integrated technology solutions rooted in the study and understanding of the real needs of the territory and the customer.

Each Company, in meeting these aspirations, must respect people, the community where they live and nature. What must be done matters more than who does it. But in an overcrowded and demanding world, how it is done is paramount.

The Group can work well only if it makes the dynamic view of the context in which it moves its own and if it is able to transform in to challenges attainable goals its solutions, its credibility and its commitment onto needed to maintain harmony in the relationship between the individual, the community and nature.

The Financo Group must act with the utmost commitment towards total quality. Each Company:

- anticipates technology and standards needed to produce with less impact;
- innovates and transforms each new facility acquired or built - in every country - according to the most advanced standards for the protection of workers, the environment and communities of settlement;
- looks after both appearance and substance of fixed installations, logistics networks, places of extraction of raw materials;
- reduces emissions and constantly monitors them

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- when it inevitably affects the natural environment, it takes care at the same time of the restoration of the natural landscape at the highest level and according to the most stringent specifications, thereby avoiding permanent disfigurement of natural spaces.

In terms of social responsibility, the Group devotes significant resources to the various aspects of the life of the communities where it operates, promotes studies, works with public bodies, protects the historical and monumental heritage, sponsors culture and the activities of social life, intervenes to eliminate existing environmental damage.

The logo stresses the ability of the Company to propose, shape and implement technological highly integrated solutions to complex, starting from the study and from the understanding of the real needs of the customer.

2.3 Mission

The Group seeks to maintain standards of excellence in every field in which it operates and tends constantly to a continuous improvement to progressively develop its business and to increase the visibility and presence both at home and abroad.

Each company operates to become leader in its sector, creating value for its stakeholders in the respect of ethics, business and social activities, contributing to economic growth and professional development of employees and partners and transferring elements of economic and social progress to the communities in which it operates.

Each Company responds with transparency and completeness to the needs of all stakeholders and produces wealth for the financiers and employees in a manner consistent with its vision and values of accountability, transparency, trust and respect for people.

2.4 Compliance with laws and regulations

Each recipient of the Code has as his essential principle the compliance with laws and regulations including the companies' internal ones.

Recipients must therefore be aware of the laws and consequent behaviour demanded thereby ; in case of doubt, or of need further clarification, they should consult their superiors and the Supervisory Body.

Each Company shall ensure an adequate training and awareness program regarding issues pertaining the Code of Ethics.

In general, the Recipients shall:

- apply the **employment contracts**, act justly towards its employees, encouraging their professional growth and safeguarding safety at work;
- adopt an equitable and fair behaviour towards customers, suppliers and competitors;
- respect **environmental laws and any voluntarily subscribed regulations;**

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- consider all forms of pollution prevention and environmental protection a constant commitment;
- maintain relations of fairness and integrity towards public administration and political parties.

In particular, the Recipients commit themselves to respect and apply the rules and laws in force, in their specific area, applicable in the country where they operate.

2.5 *Fairness and honesty*

The pursuit of the interests of no Company may never justify a conduct contrary to the principles of fairness and honesty.

Gifts of modest value are permitted along with ~~and~~ other expenses of ordinary and reasonable representation, however within limits that do not compromise the integrity and fairness of the ethical and professional parts and, in any case, provided that they can be considered usual in relation to the occasion. Therefore, any form of benefit or gift, received or offered, which can be understood ~~as~~ to be a tool to influence the independence of judgment and conduct of the parties involved is prohibited.

In relations with the Public Administration, giveaways and gifts may be made only to the extent and in the manner set out in this document to Chapter 7, "Principles and rules of conduct relating to offenses against the Public Administration".

In particular, it should be noted that the Group is engaged in the sponsorship of cultural, sports and religious initiatives in order to promote the development of the territory and its community.

When in doubt as to the gifts and giveaway expenses, the recipients must inform and consult the Supervisory Body.

2.6 *Impartiality*

Recipients of the Code, in full respect of the principle of good faith, work with impartiality when carrying out their activities to ensure the principle of independence of judgment and the absence of any, commercial and financial interest, which might determine unfair behaviour, favourable and unequal treatment.

In its relations with all the counterparties, any form of discrimination based on age, racial and ethnic origin, nationality, political opinions, religious beliefs, gender, sexuality or the health of its interlocutors is prohibited.

2.7 *Confidentiality*

Each recipient guarantees, in accordance with the law, the confidentiality of information in his possession, even after the resignation, dismissal or retirement, always in compliance with a Security Policy Document, prepared and updated by each company.

Recipients are prohibited from using confidential information for purposes not related to the exercise of their professional activities. In particular, information, data, and knowledge acquired, processed and managed by the recipients in the exercise of their activities must

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remain strictly confidential and appropriately protected and cannot be used, communicated or disclosed, either inside or outside each company, except in accordance with regulations and company procedures.

Confidential information is for example : business plans, strategic, economic / financial, accounting, business, management, operating; projects and investments; data relating to staff, customers, suppliers, users and in general all the data one may legally define "personal" or otherwise deserving special protection; business metrics of performance and productivity; corporate agreements, agreements and commercial contracts, business documents; the know-how on the production, development and marketing of services; databases such as suppliers, customers, employees, brokers and external collaborators.

In particular, employees must: maintain the confidentiality of news and information learned in the exercise of their functions; observe the duty of confidentiality after leaving the service; consult only the documents which they are authorised to access, making use in compliance with their duties and allowing access only to those who have reason and in accordance with the instructions given; prevent any leakage of data by observing the security measures given, keeping order with care and acts entrusted to carry out and avoiding to print unnecessary copies.

2.8 Conflicts of interest

In the performance of all activities, each Recipient works in such a manner as to avoid running into conflicts of interest, be they real or merely potential. Among the hypothesis of the "conflict of interest", in addition to those defined by law, it is understood to include the case in which a person works to satisfy an interest other than that of the specific company and its stakeholders, in order to gain an advantage for themselves or some other person.

In order to realise the pursuit of this principle, the Recipients must, in particular avoid acts or relationships that may be or appear to be in conflict with the obligations arising from the function carried out within Company or with the interests of the same; assess the advantages and disadvantages that could arise to the employer in case of acceptance of any assignment in another company; report (to the specific company, to the manager or to the Supervisory Body) any relationship or situation relevant to the activities of each company in which personal interests or of persons connected with them (such as, for example, family, friends, acquaintances) are involved.

Furthermore, the Group will evaluate the possibility to adopt specific regulations governing corporate relationships with related parties.

2.9 Environmental Protection

In general, all Recipients undertake not to harm the environment and to participate in and to promote initiatives on environmental issues. In order to strengthen the respect of environmental protection, all Recipients are required to strictly adhere to the requirements of the law, of other directives and of regulations on environmental protection and hygiene and to always keep a good and vigilant behaviour.

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The Group, in particular, aware of the impact of its activities on economic and social development and quality of life of the territory, is committed in the conduct of its business, to safeguard the environment and contribute to sustainable development of the territory, ensuring transparent management by the Company Departments, with the use of appropriate technology.

2.10 Diligence and good faith

Each Recipient must act fairly and in good faith, respecting the obligations entered into by contract and providing the required performance. Each Recipient **must** also know and observe the contents of this Code of Ethics, basing their conduct on respect, cooperation and mutual collaboration.

2.11 Documentation of activities

All activities, actions, transactions and operations of each Recipient shall be:

- Completed in compliance with existing rules, the maximum managerial correctness, completeness and transparency of the information and legitimacy of both form and substance, of adequate traceability and documentation of the same;
- Completed in accordance with the instructions, procedures and communications given, and within the limits of the powers delegated and budgets approved by the Board or its delegates, as well as being legitimate, consistent and congruous.

Recipients who were to be aware of any omissions, alterations or falsifications of accounting records or their supporting documents, are required to inform their superior, or the manager of the company office and the Supervisory Body of each Company .

2.12 Competition

The Financo Group believes in free, fair and genuine competition and directs its actions to obtain competitive results that reward skills, experience and efficiency.

Any action that may adversely affect the conditions of correct competition is contrary to company policy and is prohibited for any person who is acting on its behalf.

The Group's interest can in no case justify conduct that does not respect the laws and comply with the rules of this Code.

In any external communication, the information concerning the Financo Group and its activities must be truthful, clear and verifiable.

3. Corporate governance

3.1 Introduction

The Financo Group *governance* systems is oriented to ensure responsible business conduct, transparency to the market, with a view to creating value for shareholders and the pursuit of social and environmental goals.

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The members of the governing bodies must conform their activities to the principles of fairness and integrity, refraining from acting in conflict of interest within the activity undertaken by them in the Company.

From the members of the boards a behaviour based on the principles of autonomy, independence and respect the guidelines that the company provides in their relations, on behalf of the same, with third parties and with the public administration is also required. In particular: their assiduous and informed participation to the business. In this regard it should be noted that in order to act in an informed manner, each member of the board has the right and faculty of being informed on all the acts and social documents, even when stored in electronic format. Directors are required to make use of confidential information to which they have access for reasons of work and cannot use their position to their personal direct or indirect advantage; all communication activities must comply with the laws and practices of conduct and should be aimed at protecting secret trade information.

The obligations of loyalty and confidentiality bind such parties even after the termination of the relationship with the Financo Group companies.

The Group shall, considered its activities and organizational complexity, adopt a system of delegation of powers and functions which, in explicit and specific terms, foresee the assignment of tasks to persons with suitable skills, competences and organisational roles.

3.2 Internal control

In compliance with the regulations and in view of the planning and management of the business activities aimed at efficiency, fairness, transparency and quality, the Financo Group adopts organisational and management measures to prevent illegal or otherwise contrary to the rules of this Code activity by any person acting on its behalf.

Each company will have to adopt, implement and deploy a model of organisation, management and control that includes measures to ensure the performance of activities within the law and the rules of conduct of this Code and act to prevent illegal conduct, promptly eliminating situations of risk.

3.3 Principles of the organization

The products / services deriving from the Financo Group meet the requirements which have their origin in the respect of a System of Quality Management in accordance with prescribed standards of excellence in the industry.

The focal point, during the stages of production and sales, is the guarantee that the controls themselves and their decisions are implemented following an "adequacy guarantee regime".

Each Company therefore ensures to keep under control and "maintain" the entire production process.

Each Company therefore ensures a constant and continuous monitoring of a complex set of components (human resources, equipment, working environment, operating procedures, etc. ...) and on its model of organisation, management and control.

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Each Company believes that the certificates issued by Italian and foreign institutional bodies constitute strong elements of responsibility to ensure the product standard and process excellence and as further stimulus to maintain relations based on ethics.

3.3.1 *Conduct of operations and business transactions*

Each operation and / or transaction, meant in the broadest sense of the term, must be legitimate, authorized, consistent, reasonable, documented, recorded and verifiable at any time.

Recipients are required to comply with the company operating procedures and protocols required to oversee the formation and implementation of business decisions.

The procedures governing the operations must allow the possibility to carry out checks on the characteristics of the transaction, on the reasons that have led to their execution, on the authorisations for the development and execution of the given transaction.

Each person making operations and / or transactions involving sums of money, goods or other measurable economic value, belonging to the single company, must always act upon specific authorisation and provide on request any valid evidence for its verification at any time.

Each recipient is responsible for the accuracy, authenticity and originality of the documentation and information provided in the performance of their competence

In order to ensure compliance with the above principles, in the wider aim of preventing any possible unlawful conduct by the Company and its employees and associates, all operations and transactions that Recipients are engaged with in the conduct of its activities must comply with the following general principles:

- **Traceability:** the formation of the acts and sources of information / documents used to support the activities carried out, must be reconstructed ensuring the transparency of the choices made. Each company must ensure verifiability, traceability, consistency and congruity of every transaction. For this purpose the traceability of the relevant documentation on which one may proceed at all times carry out the checks, must be guaranteed. It is appropriate, therefore, that for every operation one may easily identify who authorised the operation, who physically transmitted it, who keeps its records and who has carried out a check on the same;
- **separation of tasks** ("separation of duties"): there must not be a subjective identity between those who take or implement the decisions, those who must give accounting evidence of the operations decided and those who are required to carry out these assessments required by law and procedures covered by the system of internal assessment;
- **signatory powers and authorisation powers:** formal rules must be in place for the exercise of signatory powers and internal powers of authorization. Furthermore it is necessary that:
 - Nobody be given unlimited authority;

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- The powers and responsibilities are clearly defined and known within the organisation;
- The powers of authorisation and signature are consistent with the organisational responsibilities assigned;
- The Group may adopt a specific procedure governing the preparation, communication and updating of the powers described above.
- **storage / retention of documents:** documents concerning the activities are to be archived and preserved, by the competent department, in a manner that does not allow the subsequent alterations, except with specific evidence;
- **reporting system:** the parties called to perform the various activities are held accountable for their actions in certain subjects;
- **monitoring:** a check on activity should be carried out, which in turn must be appropriately documented and archived.

3.3.2 Administrative checks and documentation

Each recipient has a duty to record and preserve the proper information concerning the exercise of his duties.

Those entrusted with the task of keeping the records are required to make any adjustment in an accurate, complete, truthful and transparent way which can be verified by anyone, even outside the company, who has this task.

The criteria for recording and reporting must be consistent with each other in order to provide a consistent basis for the assessment, management and communication of transactions performed by the companies.

In particular, it is mandatory:

- to follow, in carrying out the tasks as foreseen by the law, the Code of Ethics, accounting, reporting and control procedures established by the Management;
- to be accurate, timely and comprehensive in the drawing up and storing of documents and to fill in the latter indicating all data and / or information however influential in the decisions of the Financo Group;
- before signing a document, make sure that the information contained herein is true, correct, complete and in compliance with the provisions of the relevant laws;
- before committing the Financo Group in any operation and activities or reporting any administrative and financial information, make sure all the necessary permissions are received and properly documented;
- to keep all documents that each company has, including the computerised information, safe;

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- to facilitate the corporate control bodies and any other person authorised to access the documentation of their expertise and provide them with accurate and comprehensive information.

Recipients who purchase goods and / or services, including consultancies and external collaborations, must always act in accordance with the principles of fairness, affordability, quality and legality, working with professional diligence.

In carrying out economic activities, each Group company or their representatives, using ordinary professional care, must refrain from receiving, concealing, replacing money, goods or other assets of illicit origin.

Receipts and payments must be increasingly made through bank transfers, bank remittances and / or bank cheques. Receipts and payments made by cash should always be documented and specifically authorised, in accordance with regulations.

4. Relationships with the staff

4.1 Introduction

Each company recognises the value of human resources, respect for their autonomy and the importance of their participation in the companies' activities.

The management of the employment relationship is designed to encourage professional development and skills of each Recipient in relation to the application of incentive tools.

Racial, sex, nationality, religious, language, political or trade union discrimination, is prohibited in hiring, paying, promoting or dismissing as well as any other form of favouritism.

4.2 Protection of the person

The Company ensures that the necessary conditions are undertaken for the existence of a collaborative and not hostile work environment and to prevent discriminatory behaviour of any kind.

The cooperation of all is required in order to maintain a climate of mutual respect of the dignity, honour and good reputation of everyone.

4.3 Selection and recruitment of staff

Save what prescribed by law selection of personnel is subject to the verification of full compliance of candidates to a substantial profile adherence required by the company, in respect of equal opportunities for applicants.

The recruitment of staff is based on regular employment contracts. Any form of employment contract or otherwise not in accordance with legislation in force is not allowed.

All forms of favouritism, nepotism or patronage during selection and recruitment are not allowed.

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Each Recipient, involved in the evaluation of staff, must be committed, if annual targets either general or individual are set, to support a compensation policy based on possible, realistic specific, concrete, measurable and credibly referable to a certain period of time targets.

4.4 Duties of the staff

Staff shall be committed to fulfil ~~its~~ their obligations under the Code of Ethics and must follow, in carrying out their duties, respect for the law ~~and~~ , for the ethical principles of diligence, good faith, integrity, honesty, loyalty and all those exposed in this Code.

4.5 Competition and negative publicity

It is prohibited to the Recipients of the Code to maintain relations or provide information to other companies that may cause damage and prejudice to the Group.

It also prohibits the Recipient the release of public statements that may denigrate the image or the actions of the competitors.

Recipients, within the limits of the activity in favour of the Group companies, cannot provide, consultancy, research, collaborations to others within the industry even free of charge, unless expressly authorised by the individual company concerned, that will , however, reserve itself the right to evaluate any assignment in relation to possible incompatibilities , as laid out in laws and regulations.

4.6 Giveaways, gifts and other benefits

Each Recipient shall not ask, for themselves or for others, gifts or other benefits, or accept the latter, except those of modest value or in line with normal business practice and courtesy, by anyone that has benefited or that can draw benefits from the company.

Recipients also shall not accept invitations and benefits from the same subjects for the participation in congresses, conferences, missions and meetings. In addition, they shall not participate in banquets and / or dinners possibly offered when possible audits of the Group Companies were to be carried out.

Recipients also may not offer gifts or other benefits to all those concerned in order to obtain favourable treatment in the conduct of any activity of the Group Companies.

4.7 Protection of confidentiality

Each Company protects the privacy of the Recipients, according to the rules in being, and undertake not to communicate or disseminate, except as required by law, the relevant personal information without prior consent.

The acquisition, processing and storage of this information takes place within specific procedures to ensure full compliance with the rules protecting privacy and in a way that that no unauthorised person can gain knowledge of it.

4.8 Information requirements

All Recipients are required to report promptly and confidentiality to their head of department and / or to the Supervisory Body any news of which they become aware in the performance of their work activities, about violations of rules of law, the Code of Ethics or other corporate provisions that may involve any company for whatever reason.

The department managers must oversee the work of their subordinates and must constantly and promptly inform the Supervisory Body.

4.9 Using information or telecommunication systems

Regarding the use of computer systems each recipient is liable for the security of the system used and is subject to applicable regulations and conditions of licence agreements.

Each Recipient must therefore ensure the proper use and, in the case of conservation, a secure storage of the same.

Recipients undertake not to use, for private purposes or interests, property or equipment such as software and passwords and any other information available to them for the work or office purposes. The use of assets and company resources improperly such as usage of networking for purposes other than those relating to the employment relationship or when sending offensive messages or that could damage the company image are against civil and criminal laws.

The improper use of company computer tools is therefore forbidden and entirely alien to the Group from which misconduct can derive into unauthorized access to a computer or electronic system of third interception, hindrance or interruption of communication or telecommunications, the damage to information, data and programs used by the State or of private citizens or other public body or of public utility and damage to both private and public computer or telecommunication systems.

In addition, the illegal possession and distribution of access codes to computer or telecommunications systems, the distribution of equipment, devices or programs designed to damage or disrupt a computer system or computer, as well as the installation of equipment designed to intercept, prevent or interrupt communications or telecommunications are also absolutely forbidden.

For specific requirements, please refer to paragraph 10 of this Code.

5. Relationships with suppliers

The Financo Group is inspired by the principles of legality, fairness and efficiency in the relationships with the suppliers, therefore each Recipient shall insure:

- To comply with the laws and administrative regulations in force in the field of relationships with suppliers ;
- not to foreclose to any company that meets the requirements the possibility of bidding to be awarded part of the work or supplies of the Group;

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- to evaluate vendor offerings based on technical superiority, quality, reliability, service, price, in accordance with the internal operating and licencing procedures that govern corporate spending;
- to request the cooperation of suppliers in constantly meeting the needs of the Financo Group in terms of quality and delivery times, respecting the rules mutually agreed on ;
- To observe the licence agreements and rules on industrial property, including those applicable to software;
- To maintain a frank and open dialogue with suppliers, in line with good commercial practice;
- To personally not take part in contests, competitions or promotions held by suppliers;
- To inform superiors if someone within the company is offered gifts that exceed the purely symbolic value of courtesy
- Not to disclose information which, by decision of the company or under agreements with the supplier, should remain confidential.

5.1 Professionalism and collaboration

Each company shall have relationships characterised by high professionalism and based on availability, respect, courtesy and utmost cooperation with its suppliers.

To protect such relationship, Recipients ensure that their interactions with suppliers are aligned with the laws and regulations, internal regulations and occupational and professional codes.

5.2 Selection criteria and supplier management

The criteria for selecting suppliers are based on fairness and impartiality of judgment. The selection is based on evaluation of the quality and cost of technical and professional performance, of **compliance with applicable environmental standards** and social engagement efforts, according to the rules dictated by specific regulations and internal procedures.

Each Recipient shall take all means and the precautions necessary to ensure the transparency and fairness of commercial transactions.

In particular, it is mandatory, among other things, that:

- the minimum standards and requirements for the selection of the bidders goods and / or services that the company intends to acquire are scrupulously respected;
- the criteria for evaluation of bids are set;

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- all the necessary information regarding the commercial / professional reliability of the suppliers and partners, are requested and obtained.

6. Relationships with customers

The Financo Group, believes the adherence to ethical standards and compliance with applicable laws in the sector in which it operates is essential, therefore ensures the performance of business practices in compliance with ethical standards and socially responsible conduct with regard to relations with key customers

6.1 Professionalism and collaboration

The Group, in carrying out its activities, establishes relationships with customers having high professionalism, based on availability, respect, courtesy, to research and offer the utmost cooperation.

To protect these relationships Recipients ensure that their interactions with customers are aligned with European, national and local laws and regulations and professional codes.

6.2 Contracts and communication

Contracts and customer communications shall be:

- Clear, simple and formulated with language as close as possible to that of the majority of customers;
- Compliant with regulations in force.

The Financo Group is committed to encourage interaction with their customers through the management and rapid resolution of any complaints and using appropriate communication systems, always in compliance with what was agreed on at the signing of the contract.

The Group protects the privacy of its customers, according to the current rules, undertaking to not communicate or disseminate their personal, economic and consumption, except as required by law.

6.3 Quality and customer satisfaction

The Financo Group is committed to achieving the standards of quality and safety and to periodically monitor the quality of service provided to the customer.

Each company assures its customers that it observes and respects the applicable laws and contractual conditions in the supply relationship.

It also assures to be guided by the principles of fairness and good faith in correspondence and in dialogue with its customers, with a view to a collaborative and highly professional relationship.

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6.4 Business Relationships

In the conduct of trade relations, both present and future with new customers, based on publicly available information and / or available to the regulations, each company is required, among other things, to ensure that:

- The competent departments check that payments are made on a regular basis which includes checking that the person who the order is made by is the same as the one that collects the sums.
- All the necessary information regarding the commercial / professional reliability of the customer is requested and obtained.

7. Principles and rules of conduct relating to offenses against the Public Administration

- The Public Administration means whoever *exercises a public legislative, judicial or Administrative power*

Public is referred to the administrative function governed by *public law* and authoritative acts and characterised by the formation and manifestation of the will of the Public Administration or its unfolding through *authoritative or certification powers*

- *Public law* regulations are those which are in the pursuit of a public purpose and the protection of public interest.
- The *authoritative powers* are those powers that allow the Public Administration to achieve its aims through effective commands, where the private individual is in position subjection. It is the activity which expresses the so called public powers, which includes both the coercive powers (arrest, persecution, etc.), the challenging of violations of law (assessment of fines, etc.), and the powers of hierarchical supremacy within public offices.
- The *certification powers* are those that give the certifier the power to certify a fact until proven false.
- Being part of the Public Administration also means those whose work is governed by public law and authoritative acts, but that are characterized by the lack of authoritative and certification powers.

7.1 Integrity and independence in relationships

In order to ensure the maximum clarity in the relations with the Public Administration, aimed at the overall interest of the company and linked to the implementation of its programs, these shall be carried out exclusively through representatives who have received explicit mandate and corporate bodies that are not in situations of conflict of interest with respect to the representatives of the institutions.

The objective to ensure the independence and autonomy of the representatives authorised to have relations with the Public Administration is also pursued by the choice of subjects that are not in conflict with the representatives of the institutions themselves, either directly

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or indirectly. In fact, the Financo Group and each Company guarantees the independence of its delegates in relation to situations of potential psychological influence or moral pressure (persuasion, filibuster, malicious silence) that can induce the private individual to give or promise undue payments which can achieve an undeserved or unlawful interest and / or benefit for any Company.

Gifts or acts of courtesy and hospitality granted to government representatives, public officials and public employees are permitted to the extent that their modest value does not compromise the integrity, independence and reputation of either party. In any case this type of expenditure must be properly authorized and documented.

During a business negotiation, request or relationship of any kind with the Public Administration, directly or indirectly, any action likely to propose employment and / or business from which they derive benefits for themselves or others, employees of the Public Administration or their relatives must not be taken.

7.2 *Legality, fairness and transparency*

The Financo Group inspires and adapts its behaviour to the principles of legality, fairness and transparency, in order not to lead the Public Administration to the violation of the principles of impartiality and good performance which it must have.

The contacts with the Public Administration are managed by those who are specifically and formally assigned by the individual company to deal with or have contact with public officials and / or Public Service Employees belonging to the contracting authority

7.3 *Benefits and gifts*

The Financo Group condemns any behaviour engaged in by any Recipient, which sums up to directly or indirectly promising or offering gifts and benefits (money, objects, services, favours, or other benefits) to public officials and / or the Italian or foreign Public Service, or their relatives, from which may ensue an undeserved or unlawful interest and / or benefit to any company.

It is also forbidden to promise and / or offer any giveaway and / or benefit to obtain a more favourable treatment in relation to any deals with the Italian or foreign Public Administration, or to induce Public Officials / Italian or foreign public services, to use their influence on other members of the Italian or foreign Public Administration.

7.4 *Institutional relationships*

Financo Group relations with local, national or international institutions are based on maximum transparency and fairness.

Relations with officials of public institutions are limited to corporate functions responsible and regularly authorised in accordance with the strict observance of the provisions of law and regulations and cannot in any way compromise the integrity and reputation of the Financo Group.

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For this reason, the Financo Group condemns those who, directly or through mediators or third parties, offer money or other means of payment or other benefits to public officials or public service representatives in order to influence their activities in the performance of their duties.

These requirements cannot be avoided by using different forms of contributions which, disguised as sponsorships, appointments, consultancies, advertising, etc., have the above prohibited purposes.

7.5 Business Negotiations

As part of any business negotiation, a request or a relationship with the Italian and / or foreign Public Administration, for no reason must there be a conduct designed to unlawfully influence the decisions of public officials or public service representatives, to order to achieve the individual Company an unfair or unlawful gain or advantage.

For example, during a business negotiation, the request or business relationship with the Italian or foreign Public Officials and / or Public Service, the following actions cannot be - directly or indirectly undertaken:

- Consider or propose - in any way - employment and / or business opportunities that can benefit the public officials and / or the Public Service or their friends and relatives
- Offer, gratifications, if not of modest value and in compliance with the company authorization whilst observing their traceability through appropriate documentation.
- Solicit or obtain confidential information that could compromise the integrity or reputation of both parties.
- Perform any other act intended to induce Italian and foreign public officials, to do or omit to do anything in violation of the law which they are subject to.
- Abuse their position or powers to persuade or force someone to promise unduly to himself or others money or other benefits.

7.6 Public Administration information system

In carrying out its activities the recipients have the absolute prohibition to alter the operation of the computer or electronic system of the public administration, or to modify the data it contains. For specific requirements, please refer to paragraph 10 of this Code.

7.7 Participation in tenders and relationships with clients

In the case of participation in a tender called by the Public Administration, each company of the Group is committed to follow the process to properly participate in the tender procedure, within the law, the rules of this Code of Ethics and internal procedures , also in order to avoid possible injury of the image of the company.

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It is therefore prohibited to Recipients:

- to promise / give to a Public Official, for him or for a third party, an undeserved retribution in money or other benefits in exchange for an official act necessary for the progress of each Company in the tender process;
- to promise / give to a Public Official, for him or for a third party, a sum of money or other benefits in order to make him omit / delay an act of his office or to perform any act contrary to official duties in order to promote the progress of each Company in the tender process;
- to induce, by trickery or deception, the State / other public entity in error in order to promote the progress of each Company in the tender process;
- to alter (in any way) the operation of a computer system / electronic or intervene (without right and in any way) on data / information / programs contained in a computer system / electronic or relevant thereto in order to promote the advancement of the Financo Company Group in the tender process .

7.7.1 Participation in procedures for competitor confrontation

In submitting a proposal in competitive comparison, each company carefully evaluates the appropriateness and feasibility of the services required, particularly with regard to regulatory, technical and economic conditions, pointing out, where possible, immediately any anomalies and in no case assuming contractual commitments that can put the Company in the position of having to resort to unacceptable savings on the quality of the service, staff costs and in particular on the quality of labour safety.

7.7.2 Fairness in commercial negotiations

In relationships with customers, the Company ensures fairness and clarity in commercial negotiations and in contractual obligations, as well as faithful and diligent fulfilment of the same.

7.8 Loans, grants and contributions

It is forbidden to allocate to purposes other than those for which they were eventually granted, contributions, grants or loans obtained from the State or other public body or the European Community.

Each Company condemns the behaviour aimed at obtaining, by the State, the European Community or other national or foreign public entity, any kind of contribution, financing, subsidized loan or other provision of the same type, by way of statements and / or documents order altered or falsified, or through the omission of information or, more generally, through trickery or deception, including those made by means of a computer or electronic system, designed to mislead the supplier.

Recipients will have to pay major attention to all the confidential information of which they were to become aware of and carefully log and report every document drawn up by them or performed and / or forwarded to the Public Administration and public bodies in general.

7.9 Participation in legal proceedings

In the case of participation in court proceedings, each Group company is committed to proceed in the judicial process properly, in line with the law, with rules contained in this Code of Ethics and internal procedures, avoiding any form of obstacle and hindrance.

In particular, in the course of judicial proceedings in which a Group Company is a part, the Recipients are prohibited:

- To promise / give to a Public Official (e.g. The magistrate, court clerk or other official), for him or for a third party, an undeserved salary payable in money or other benefits in exchange for an official act in order to obtain an advantage for each Company in the judicial process.
- To promise / give to a Public Official (e.g. The magistrate, court clerk or other official), for him or for a third party, a sum of money or other benefits in order to make him omit / delay an act of his office or for him perform any act contrary to official duties in order to gain an advantage for Financo in judicial proceedings.
- Inducing, with trickery or deception, the State / other public entity in error in order to gain an advantage for any Company in the judicial process;
- Alter (in any way) the operation of a computer system / electronic or intervene (without right and in any way) on data / information / programs contained in a computer system / electronic or relevant thereto in order to obtain an advantage for each Company in legal proceedings.

8. Principles and rules of conduct relating to corporate crimes

In full compliance with current regulations, each Financo Group company treasures as a fundamental value that the principles of truthfulness and fairness in relation to any document that indicate economic and financial values of the individual Company itself.

In full compliance with the above principles, each Financo Group company undertakes to prevent and hinder any form of mismanagement related to phenomena of deviation from good corporate performance.

For this reason, the Company condemns any behaviour intended to alter the fairness and transparency of trade relations between the company and in particular prohibits Recipients to give or promise money or other benefits, to directors, general managers, managers responsible for preparing the corporate accounting documents, auditors and liquidators of other companies, urging them to produce or omit acts in violation of the obligations inherent to their office or the obligations of loyalty, in order to gain an advantage for a specific Financo Group company. The reason of the rule is to repress forms of mismanagement related to a phenomenon of deviation from good corporate performance (e.g. The Commercial officer promises money or other benefits to the Purchasing Officer of another company in order they choose the company as a supplier, uploading on the price or the cost of the utility of money given or promised).

For this reason:

- Every Company condemns any behaviour intended to alter the correctness and accuracy of the data and information contained in financial statements, reports or other communications required by law and addressed to the shareholders, the public and the company undertaking an audit.
- All Recipients involved in the formation of these acts are required to ensure, with due diligence, the correctness of the data and information that will be incorporated in the preparation of the above acts.
- One must always act adopting accounting and administrative procedures necessary to ensure a smooth and immediate control in order: to respect the "Accounting Standards" issued by the appropriate committees and bodies of **regulating bodies** and international accounting standards; to archive and log letters, faxes, e-mails and other documents; to assess financial statements; to guarantee compliance by the parties delegated to specific functions, and in line with the contents of their proxies and powers of attorney.
- All the subjects, who for various reasons are assigned to prepare financial statements and corporate communication, must inform their activities to comply with the procedures laid down, inspiring their work on principles of fairness and good faith, and acting **in a diligent, careful and responsible way**. They will also have to avoid conflicts of interest, including potential ones, in the performance of the functions delegated to them

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- Every Company requires that all Recipients take a proper and transparent conduct in the performance of their duties, especially in relation to any request made by the shareholders, directors, **auditors** and the independent auditors in the performance of their respective institutional functions.
- One may not engage in any conduct intended to cause damage to the integrity of corporate assets.
- It is forbidden to perform any fictitious or fraudulent act, aimed at influencing the will of members of the general meeting to reach an irregular formation of a majority and / or a different resolution.
- All steps related to the general meeting, such as the summons and the deposit of any document deemed suitable with the resolution by the shareholders, must be carefully controlled and processed.
- Any person who is aware of such impediments, although referring to outside third parties, is required to give notice to the relevant bodies, invested with the necessary powers to carry out investigations about it, and to the Supervisory Body.
- Recipients are required to keep information and documents acquired in the performance of their duties confidential and not to use them to their advantage.
- Staff assigned to the transmission of documents and information, on the occasion of checks and inspections by the competent public authorities must pervade their behaviour to good faith and fairness, being required to carry out their duties with the diligence of the agent. They must also maintain an attitude of maximum availability and collaboration the bodies of inspection and control.
- It is forbidden to hinder in any way the functions of public supervisory authorities who come into contact with a company in the execution of their official duties.

9. Principles and rules of conduct relating to company crimes, terrorism, money laundering and receiving stolen goods

The Financo Group recognises considerable importance and value to the principles of free political determination upon which the State is founded.

The Financo Group condemns any conduct that could constitute or be connected to activities of terrorism or subversion of the state, or be linked to transnational crimes related to criminal associations, such as the mafia, to recycling, handling and use of cash assets and other assets of illegal origin, smuggling of tobacco produced abroad and illicit trafficking of narcotic or drug substances, or possible violations of the provisions against illegal immigration.

Every employee who, in the performance of his work, becomes aware of the commission of acts or behaviours among those outlined above must immediately notify their superiors and the Supervisory Body.

10. Principles and rules of conduct related to IT crimes

10.1 Information or telecommunication systems

Maintaining a good level of computer security is essential to protect the information that each Company uses on a daily basis and it is vital for the effective development of policies and strategies of corporate business.

Therefore, the use of the tools and / or telecommunication services assigned to the individual company must be in full compliance with current legislation (and particularly in the field of computer crimes, cyber security, privacy and copyright) and internal procedures and / or existing groups (such as, the Security Policy Document on privacy and regulation of use of computing resources, which means all documents retrieved in full here) and those that may be subsequently approved and issued, must avoid exposure of the same companies to any form of liability and / or penalty.

In any case it is forbidden for Recipients to access, for any purpose or use, without authorization and in violation of the law the computer or telecommunication system of others, and to violate its access limits. Such obligations must also be respected in connection with any limitations of access to the company computer system of each company, where such access is the sole responsibility of certain individuals.

Regarding the use of computer systems each Recipient is responsible for the security of the systems used and is subject to applicable regulations and conditions of license agreements.

Except as required by civil and criminal laws, networking for purposes other than those relating to the employment relationship or sending offensive messages that could damage the Group image falls under the improper use of assets and company resource usage.

Recipients commit themselves to not use, for private purposes or interests, property, or equipment such as software and password and any other information available to them for reasons of office.

Each Recipient is also required to provide the necessary commitment to prevent the possible commission of crimes by the use of IT tools.

10.1.1 Use of personal computers, mobile communication systems and other equipment

In order to avoid the serious risk of introducing viruses, as well as to alter the stability of the applications of the computer, the Recipients:

- are not allowed to install programs of any kind unless expressly authorized by the IT Department;
- are not allowed to use programs not officially distributed by the IT Department;
- are not allowed to use software and / or hardware acts to intercept, falsify, alter or delete the contents of communications and / or documents;

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- cannot modify configuration settings on their PC; are not allowed to install on their PC or other computing tools their own business media (such as *modems*);

10.1.2 Use of magnetic data supports

Recipients may not download files contained in magnetic / optical supports which do not have any relation to their work performance.

All files of uncertain origin or external, although related to work activities, which may interfere with business information systems must be examined and appropriately be authorized by the IT Department.

It is not allowed to use software and / or hardware to intercept, falsify alter or delete the contents of communication and / or documents.

10.1.3 Using the corporate network

Network drives are areas strictly sharing professional information and cannot in any way be used for different purposes.

Every Company of the Group reserves the right to proceed to the removal of any file or application that it considers dangerous to the security of the system that is acquired or installed in violation of this Code.

10.1.4 Use of the Internet and related services to internet browsing

Recipients of each Company:

- are not allowed to surf sites not related to the performance of assigned duties, which can reveal the Recipient's political or religious opinions;
- are not allowed to install free software (freeware and shareware) taken from Internet sites, unless expressly authorized by the Head of IT Department;
- are prohibited all forms of recording sites where content is not work-related;
- are not allowed to participate, for non-professional reasons to Forums, to use chat lines, electronic boards and registrations in guest books even if using pseudonyms (or nickname);
- are not permitted to store electronic documents whose nature is offensive and / or that discriminates by sex, language, religion, race, ethnicity, opinion, trade union membership and / or politics;
- are strictly prohibited in any case to connect or access sites in which the content can be configured to crimes against the person and **human rights** (such as, reduction or maintenance in slavery, child prostitution, child pornography and related offenses, trafficking of people, purchasing and selling of slaves).

10.1.5 E-mails

In stating that emails are working tools, it is useful to point out to all Recipients who make use of business information systems that:

- it is not allowed to send or store messages (internal and external) of offensive nature against the common moral sense and / or discriminatory on grounds of sex, language, religion, race, ethnicity, opinion, and trade union membership and / or politics;
- The use of company e-mails for participating in discussions or Forums is not allowed.

10.1.6 Mobile phones – smart phone and other communication devices

The telecommunication devices of each Company, whether fixed or mobile, granted in use to the Recipients must be used only for professional purposes, unless there are different specific agreements in writing between the Recipient and the related Company.

11. Principles and rules of conduct regarding to offenses related to safety, hygiene and health at work

The Financo Group in the conduct of its business, is committed to protecting the moral and physical integrity of the Recipients.

11.1 Basic elements of the corporate code of ethics in health and safety

The protection of the health and safety of workers on the workplace is a principle of great significance and cultural importance, especially following the implementation of several European Directives.

Each Financo Group company, fully sharing the principle, aims to "work safely", that is to ensure compliance with the rules of prevention and the adoption of "safe" behaviour for the benefit of the protection of people and of the environment. Each Financo Group company thus guarantees the physical and moral integrity of the Recipients, working conditions respectful of individual dignity and a safe and healthy workplace, in full compliance with current legislation for the prevention of accidents at work and protection of workers.

Each Financo Group company also performs its activities in technical, organizational and economic conditions enabling them to have a proper accident prevention and a healthy and safe working environment. Each Financo Group company commits to spread and consolidate among all Recipients a culture of safety, by developing risk awareness and promoting responsible behaviour by all Recipients.

In particular, the company is committed to:

- avoiding risks;
- assessing the risks that cannot be avoided and plan adequate prevention programs;

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- provide workers with appropriate prevention instruments;
- giving appropriate instructions to the workers and providing constant updates in terms of health and safety for workers;
- monitoring the implementation of security measures.

11.2 Prevention of risks related to worker safety and hygiene

In accordance with current regulations and in view of the planning and management of business activities aimed at efficiency, fairness, transparency and quality, each Financo Group company adopts organization and management measures to prevent illegal or otherwise contrary to the rules of this Code by any Recipient.

Due to the articulation of their activity and their organizational complexity, each Financo Group company adopts a system of delegation of powers and functions, providing in explicit and specific terms the allocation of positions to people with suitable skills and competences. In relation to the extension of the delegated powers, the company adopts and implements models of organization and management that provide for measures to ensure the performance of activities within the law and the rules of conduct of this Code and to discover and quickly eliminate risky situations.

For this reason, each Company assures that Recipients carry out their activities in the workplace adequately safeguarding their health, safety and physical and moral integrity, in compliance with laws and regulations. To this goal each Company promotes a responsible and safe behaviour and takes all safety measures required by the technological evolution to ensure a safe and healthy working environment, with the specific purpose of preventing crimes and especially to prevent those of manslaughter and negligent or serious personal injury committed in violation of safety regulations and the protection of hygiene and health at work.

Each Company must thus fulfil all legal obligations in relation to the safety protection of the employees.

11.3 Checks

Each Company adopts specific control procedures in order to verify compliance with the provisions of the behaviour of the Recipients to the existing legislation on health and safety of workers and to the rules of conduct of this Code, its of which this code is an integral part.

11.4 Penalties

Each Recipient shall be involved to ensure compliance with the rules of the health and safety of workers, as each not ethically correct individual behaviour, could have negative consequences on the protection of the health and safety of workers. It must be that the violation of these rules and regulations could constitute default in towards contractual obligations, resulting in a disciplinary action (in the case of employment) or termination for breach (in other cases).

12. Principles and rules of conduct relating to environmental offenses

The Financo Group in the conduct of its business, is committed to safeguarding the environment and to contribute to the sustainable development of the territory.

12.1 Basic elements of the corporate code of ethics in the field of environmental protection

The protection and preservation of the Environment are pursued by every possible action aimed at preventing that product and processes carried out at Financo Group plants pose any risks to people and to the ecosystem.

One constantly works towards this commitment through compliance with current legislation and any voluntarily subscribed regulations and carries out all possible and necessary activities to prevent and reduce the environmental impact of activities carried out in the plants of the Group.

With the adoption of advanced technological solutions and the continuous renewal of the facilities, the Financo Group is committed to continuing the sustainable improvement of its environmental performance to ensure that the processes and products provide the highest possible protection of the environment.

In general, the Financo Group is committed to:

- Full compliance with the legal requirements and directives in force concerning environmental protection;
- Full compliance with other requirements, agreements, protocols and voluntary commitments on the environment;
- Compliance with all internal and, where possible, external to the Group's plants, stakeholders;
- Improvement of processes, systems and infrastructure and constant search for the right balance between environmental impact, safety and economic growth;
- Attention to the environment, seen as pollution prevention and not as a corrective action for the elimination of non-compliance to successive legislative norms or incoming amendments;
- Open collaboration with customers, suppliers, agencies and administrations, checking authorities and the social partners for the management of issues related to environmental impacts and environmental protection.

12.2 Prevention of impacts on the environment

In accordance with current regulations and in view of the planning and management of business activities aimed at efficiency, fairness, transparency and quality, each Financo

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Group company adopts organisational and management measures to prevent illegal or otherwise contrary to the rules of this Code activity by any Recipient .

Due to the articulation of their activity and their organisational complexity, each Financo Group company it adopts a system of delegation of powers and functions, providing in explicit and specific terms the allocation of positions to people with suitable skills and competences. In relation to the extension of the delegated powers, the company adopts and implements models of organisation and management that provide for measures to ensure the performance of activities within the law and the rules of conduct of this Code and to discover and quickly eliminating situations which may have negative environmental impacts or constitute a possible environmental damage.

For this reason, each Company involves Recipients promoting responsible behaviour and taking all measures necessary to ensure the protection of the environment.

Each Company will thus fulfil all legal obligations in relation to the protection of the environment from pollution.

12.3 Checks

Each Company adopts specific control procedures in order to verify compliance with the provisions of the behaviour of the Recipients regarding the current legislation on the environment, the rules of conduct of this Code, as part of the organization and control of which this code is an integral part.

12.4 Penalties

Each Recipient shall be involved to ensure compliance with the rules on environmental protection and to avoid any behaviour that is not ethically correct and could damage the environment itself. It should be noted that the violation of these rules and regulations may constitute default towards the contractual obligations, resulting in a disciplinary action (in case of employment) or termination for breach (in other cases).

13. Method of implementation of the Code, checks and sanctions

13.1 The Supervisory Body

The Supervisory Body is the entity set up by the company in defence of the its organization, management and control.

The structure, composition, activity and function of the Supervisory Body is governed by specific regulations.

The Supervisory Body, among other things, is the entity in charge of monitoring the functioning of the model and its periodic updating, within each Company.

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The Supervisory Body, in the exercise of its functions, will have free access to data and business information useful for conducting its business. All Recipients are required to provide the utmost cooperation in promoting the activities of the Supervisory Body.

13.2 Knowledge and application

This Code of Ethics is brought to the attention of all the Recipients. Any doubts on application related to this Code must be promptly discussed with the Supervisory Body, the Human Resources Department and the Organisation Direction.

All Recipients, without distinction or exception, in Italy or abroad, are committed to follow the principles and rules mentioned in this Code. Acting in the interests of a Company will never justify the adoption of conduct contrary to this. In particular, all Recipients are required to provide that such rules are properly applied and respected.

13.3 Duty to notify the Supervisory Body

All Recipients, aware of violations of the principles of this Code and / or operating procedures that make up the organizational model or in general to the internal control system, are required to promptly report them to the Supervisory Body. The reports, even if not made in writing or electronically, will in any case be collected and stored by the Supervisory Body.

13.4 Changes and updates of the Code

Any changes and / or additions to this Code must be made in the same manner adopted for its initial approval.

13.5 Penalties

Compliance with the provisions of the Code is an essential part of the contractual obligations with any Company of the Group, so it **must** be observed by all Recipients.

For employees, the failure to follow the rules of this Code of Ethics will make them liable to the penalties provided by individual and collective employment contracts, as well as codes or disciplinary systems adopted by the Company.

For all other Recipients, not employees, any behaviour, in contrast to the rules that make up the present Code, may determine, as required by specific contractual provisions, the immediate termination of the contract, alongside to any claim that could be made by the Financo Group.