

CODE OF ETHICS CIR GROUP

1. FOREWORD
2. MISSION AND ETHICAL VIEW
3. SCOPE OF APPLICATION OF THIS CODE
4. PRINCIPLES AND RULES OF REFERENCE
 - 4.1 Compliance with the Law
 - 4.2 Honesty and fairness
 - 4.3 Centrality of the individual
 - 4.4 Impartiality and equal opportunities
 - 4.5 Transparency and completeness of information
 - 4.6 Accounting entries
 - 4.7 Confidentiality of information
 - 4.8 Prevention of conflicts of interest
 - 4.9 Corporate Governance
 - 4.10 Human Resources
 - 4.11 Clients
 - 4.12 Suppliers
 - 4.13 The Environment
 - 4.14 The Community
 - 4.15 The Public Administration and Regulatory Authorities
5. SANCTIONS
6. FINAL INSTRUCTIONS

1. Foreword

In order to define clearly and transparently all the values which the Group follows in the pursuit of its objectives, CIR S.p.A. and the Companies directly or indirectly controlled by CIR S.p.A. pursuant to Article 2359 of the Italian Civil Code (hereinafter referred to as the “CIR Group or the “Group”) have drawn up this Code of Ethics, compliance with which is essential for the correct running, for the reliability, the reputation and the image of the Group. This code constitutes a basis for the present and future success and development of the enterprises managed by the Companies of the Group.

The activities of the Group must, therefore conform to the principles expressed in this Code of Ethics.

The CIR Group recognizes the importance of ethical and social responsibility in the management of its businesses and of the activities of the companies and undertakes to respect the legitimate interests of its stakeholders and of the environment in which it operates (¹). At the same time the Group requires that all employees of the Group and all those who cooperate in the business of the companies of the Group respect the corporate rules and the principles set forth in this Code.

2. Mission and ethical view

The main objective recognized and pursued by the Companies of the CIR Group is the creation of value for its shareholders, to which end all the strategies and operations of each of the Companies belonging to the Group are directed.

The CIR Group intends to maintain and develop the relationship of mutual trust with its stakeholders and to pursue its objectives seeking out the best possible solution for all of the interests involved, respecting all the provisions of the law as well as the principles of honesty, impartiality, reliability, loyalty, fairness, transparency and good faith.

3. Scope of application of this Code

This Code of Ethics applies to all of the Companies of the CIR Group. The principles and the provisions of the Code of Ethics are binding for all Directors, employees and for all those who operate with the Group on the basis of a contractual relationship. All the aforesaid individuals are referred to collectively hereinafter as the “addressees”.

¹ Stakeholders are defined as the shareholders, directors, employees, consultants, clients, suppliers and business partners. In a broader sense the term “stakeholder” includes all individuals or groups as well as the organizations and institutions that they represent, all of whose interests are affected either directly or indirectly by the activities of the CIR Group.

In particular, the members of the boards of directors of the Group are required to comply with the principles of this Code when establishing the objectives of the activities of the Companies of the Group, when proposing investments and implementing plans, and when taking any decision or action concerning the businesses run by the Companies of the Group; in the same way, when actually carrying out their management role of the businesses run by the Companies of the Group, the executives shall also follow these same guiding principles both within the Group, strengthening its cohesion and the spirit of mutual collaboration, and towards third parties who may come into contact with the Group.

Employees and those who do freelance work for the Group, as well as business partners and all those who maintain contractual relationships with the Group, are required to adapt their own behaviour in order to comply with the terms of this Code.

The Companies of the Group undertake to take appropriate communication action in order to make the addressees familiar with this Code of Ethics.

In order to ensure that the terms of this Code of Ethics are fully understood, regular communication programs are designed and put into effect with a view to aiding understanding of the principles and the rules of ethics contained in this Code.

In order to ensure the full application of this Code, the Group has appointed a Surveillance Body which within the scope of the responsibilities stipulated in the terms of current law is responsible for:

- Monitoring the application of the Code of Ethics by the individuals involved, and also receiving any complaints or reports on the subject;
- Expressing binding opinions on the subject of a possible revision of the most important corporate policies and procedures, in order to ensure that they are consistent with the Code of Ethics;
- Carrying out, when necessary, a regular review of the Code;
- Putting forward and applying suitable sanctions in the event of breaches of the Code.

The Companies of the Group establish suitable channels of communication through which the addressees can address any reports or complaints. In any case, all the addressees can report, in writing but not anonymously, any breach or suspected breach of the Code of Ethics to the Surveillance Body which will take any action considered appropriate guaranteeing the necessary confidentiality regarding the identity of the person making the report.

Where a breach of the Code of Ethics is proven, the Surveillance Body will notify the Executive Committee or the Chief Executive Officer and in more serious cases

the Board of Directors, making any suggestions and/or putting forward any sanctions deemed necessary.

4. Principles and rules of reference

4.1 Compliance with the Law

The Companies of the Group recognize that compliance with the law and with regulations in force in all of the countries in which they operate constitutes an essential and indispensable principle.

4.2 Honesty and fairness

Relations with stakeholders of the Companies of the Group are based on criteria and conduct of fair play, collaboration, loyalty and mutual respect.

Honesty represents the fundamental principle for all the activities of the Group and constitutes an indispensable element of company management.

4.3 Centrality of the individual

The Group promotes the respect of the physical and cultural integrity of the individual.

It guarantees working conditions that respect the dignity of the individual and safe workplaces. It will not tolerate requests or threats aimed at inducing people to act against the law and against this Code of Ethics or to adopt any behaviour that may offend the moral and personal convictions and preferences of each individual.

The Group supports and respects the rights of individuals in conformity with the United Nations Universal Declaration of Human Rights.

4.4 Impartiality and equal opportunities

The Group undertakes to avoid any kind of discrimination on the basis of age, gender, sexual preferences, state of health, race, nationality, political opinions and religious beliefs when making any decision that may affect relations with its stakeholders.

4.5 Transparency and completeness of information

The Group undertakes to inform all its stakeholders of its situation and of its performance in a clear and transparent way, without favouring any group of interests or any single individual.

4.6 Accounting entries

All deals and transactions entered into must be accounted for in an adequate manner and it must be possible to follow up and check the decision-making, authorization and implementation process. There must be adequate documentation supporting each transaction so that it is possible to verify at any time the characteristics of and the reasons for the deal and to identify the person or persons who authorized it, entered into it, recorded it and checked it.

4.7 Confidentiality of information

The Group guarantees that all information in its possession will be treated with confidentiality and that all regulations on the subject of personal information will be complied with.

All information made available to the Companies of the Group is treated in such a way as to ensure that the confidentiality and the privacy of the individuals involved are respected.

On this subject each employee and each consultant must:

- determine the confidential nature of information in accordance with what is set forth in current legislation and in the relative company procedures;
- obtain and deal with only such information that may be necessary and be directly connected with his or her function;
- keep this information in such a way as to prevent it from coming to the knowledge of any extraneous third parties;
- communicate and divulge such information within the scope of established procedures or else with the prior authorization of the person delegated to give such authorization.

4.8 Prevention of conflicts of interest

The Companies of the Group act in such a way as to avoid situations where individuals involved in transactions are, or can appear to be, in conflict with the interests of the Companies themselves. As an example, which shall not be considered exhaustive, the following circumstances constitute a conflict of interests:

- An employee and his or her staff and the members of their families having an economic interest – whether obvious or undisclosed – in the activities of suppliers, clients or competitors;

- Using one's own professional position to carry out action which is in contrast with the interests of the Company;
- Using information acquired during the course of one's working activity to one's own advantage or to the advantage of third parties against the interests of the Company;
- Carrying out any work of any kind (a job of work or professional services) for clients, suppliers, competitors and/or third parties in conflict with the interests of the Company.

The directors of the companies of the Group base their conduct on their duty to inform the Board of Directors of any financial interest or advantage that they or members of their families might derive from transactions submitted to the approval of the Board, in order to enable sufficient motivation be given regarding whether or not the transactions are in the best interest of the Company, and paying particular attention to the need to administer and run in a fair and balanced manner the companies subject to their management and coordination.

The administration department of CIR S.p.A. provides the Surveillance Body with a list of all transactions entered into by the Company with related parties on a quarterly basis.

4.9 Corporate Governance

The Companies of the Group create the conditions for their shareholders to participate in the decisions within their competence in as broad and conscious a manner as possible, promote completeness of information and safeguard their interests.

The system of corporate governance adopted by the Companies of the Group conforms with the provisions of the law and is mainly directed towards:

- Ensuring the regularity of operations;
- Monitoring risk;
- Establishing the maximum transparency towards the stakeholders of the Company;
- Meeting the legitimate expectations of the shareholders;
- Avoiding any kind of transaction that might jeopardize creditors and other stakeholders.

The Companies of the Group have adopted the Code of Conduct for Listed Companies, promoted by Borsa Italiana S.p.A., as a reference for providing an

effective definition of their model of corporate governance.

The CIR Group has equipped itself with a suitable procedure for carrying out what is stipulated in the Finance Consolidation Act (*Testo Unico della Finanza*) in order to improve the transparency of financial transactions carried out by the so-called “significant persons”, i.e. those individuals who can legitimately trade in the shares (or other financial instruments) of the Group, while having a thorough knowledge of its future.

4.10 Human Resources

The Group recognizes the centrality of human resources and the importance of establishing and maintaining relationships based on loyalty and mutual trust with all staff.

Therefore the management of relations with employees and anyone working for the Company are based on respect for the rights of the workforce and giving full value to their contribution with a view to promoting their professional growth and development. No behaviour is permitted that may even indirectly be considered as an offence against an individual according to the terms of the Criminal Code and Art. 25 quinquies of D.Lgs. 231/2001.

The Companies of the Group also undertake to consolidate and promote the culture of safety, developing an awareness of risks, encouraging responsible behaviour by all employees, freelance workers and consultants in order to safeguard their health and safety.

All employees, freelance workers and consultants of the Companies of the Group are required to undertake to act loyally in order to respect the obligations they entered into when they signed their contract of employment and to respect the terms of this Code of Ethics, guaranteeing that they will fulfil their duties and respect their commitments towards the Company.

4.11 Clients

The behaviour towards clients is based on willingness, respect and courtesy within the sphere of a relationship of cooperation and a high level of professionalism.

Consistently with the principles of impartiality and equal opportunities, the Companies of the Group undertake not to discriminate arbitrarily between their clients, to supply products and services of a high quality that satisfy the reasonable expectations of clients and safeguard their safety and security; to respect the truth when making advertising or commercial statements of any kind.

The employee or freelance worker must not give out any benefits in the form of money or in any other form to any individual in order to promote or favour the interests of the Company. The only exception regards gifts of little value given

out at special events (festivities, conferences, etc.) in full compliance with current corporate procedures.

4.12 Suppliers

Purchasing procedures are based on the search for the best competitive advantage and on loyalty and impartiality, giving each supplier an equal opportunity.

The choice of suppliers and the determination of the conditions of purchase are based on an objective evaluation of the quality, price and the ability to deliver and guarantee services of an adequate level. In particular employees cannot:

- Receive any form of payment from anyone for either fulfilling the duties of their position or for acting against the interest of their position;
- Submit to any kind of conditioning by third parties outside the Group, who have not been authorized by the Group, in order to take decisions and/or to carry out acts relating to their professional activity.

An employee or freelance worker who receives free gifts, or any form of benefit which cannot be considered as an act of routine courtesy must take the appropriate initiative to refuse such gifts or any other form of benefit and to inform his or her supervisor as well as the Surveillance Body.

4.13 The Environment

In all its activities, the Group contributes in a constructive manner to ecological sustainability, in consideration of the rights of future generations.

The strategies and the operational management of the Companies of the Group are based on the principles of sustainable development, with constant attention that business be carried out in respect of the environment and of public health, in conformity with national and international directives on the subject.

4.14 The Community

The Companies of the Group are aware of the effects of their activities on economic and social development and on the general prosperity of the community and in their activity they try to ensure that they further the interests of the community as well.

For this reason, they do their best to conduct all their businesses while respecting the community at both the local and the national level.

The Group believes that dialogue with associations to which it belongs is of

strategic importance for the fair development of its business and intends to cooperate with such associations in order to respect mutual interests.

Concerning relations with political parties and their representatives or candidates, the Group adheres strictly to the rules applicable on the subject.

The Companies of the Group look favourably on social and cultural initiatives and where appropriate give them their support, even by making contributions to foundations whose aims are to promote the individual and to improve quality of life. Any such contributions must be made strictly in accordance with the law and with current regulations and must be adequately documented.

4.15 The Public Administration and Regulatory Authorities

Commitments towards the Public Administration and Public Institutions may only be entered into by the corporate functions which are responsible and specially authorized to do so and must comply very strictly with the provisions of the law and of any regulations that may be applicable and must in no way compromise the integrity and reputation of the Group. For this reason it is essential that documents concerning contact with the Public Administration be collected and preserved.

The Companies of the Group, through their employees and representatives, must not promise or offer money, goods or other benefits of any kind to public officials, officers responsible for a Public Service or in general to any employees of the Public Administration or of any Public Institutions, in order to promote and favour their own interests or the interests of the Company, or even to recompense or reward someone for action that is part of their job or for taking action which is contrary to the duties of their office.

Acts of business courtesy, such as giving free gifts or forms of hospitality, or any other type of benefit (even in the form of a donation), are allowed only when of a modest amount and when they are such that they do not compromise the integrity and the reputation of the parties concerned and cannot be interpreted, by an impartial third party, as acts being carried out in order to obtain advantages and favours in an improper way. In any case such acts must always be authorized and suitably documented.

All action taken either directly or through an intermediary with the purpose of influencing independent judgement or ensuring any kind of advantage for the Company is forbidden.

Any employee who is offered either directly or indirectly any benefits or advantages by public officials, those responsible for a public service or in general by any employee of the Public Administration or any other Public Institution, must immediately inform the Surveillance Body of this fact and if the person receiving such a proposal is a third party then he or she should inform his or her

contact in the Company.

The Companies of the Group undertake to comply fully and scrupulously with the rules issued by the Authorities which regulate the market and to respond promptly to any request for information by the antitrust authorities and by other regulatory bodies in the exercise of their functions.

5. Sanctions

The observance of the rules of this Code of Ethics are considered as an essential part of the contractual obligations of employees pursuant to and as an effect of Article 2104 of the Civil Code. Any breach of the rules laid down in this Code of Ethics may be considered as a violation of the basic obligations of the employee's contract of employment or as a disciplinary misdemeanour, in accordance with the procedures set forth in Article 7 of the Workers' Statute (*Statuto dei Lavoratori*), with the consequences provided for by Law, even where this may concern the continuation of the employment, and may lead to liability for any damages that such a breach may have caused.

The observance of this Code must be considered as an essential part of the contractual obligations entered into by freelance workers and/or individuals having business relations with the Group. The infringement of the rules of this Code of Ethics may be considered as a breach of contract, with any consequences provided for by Law, including the termination of the contract and/or mandate and may also involve the liability to compensate for any damages resulting from such a breach.

The Group undertakes to establish and to enforce, with consistency, impartiality and uniformity, a series of sanctions consistent with the gravity of the individual breaches of the Code and in conformity with current regulations on the subject of labour contracts and relations.

6. Final instructions

This Code of Ethics, in recognition of company practice, has been approved by the Boards of Directors of the companies of the CIR Group. Any amendment and/or addition to the same must be approved by the Boards of Directors and circulated promptly to all addressees.