

MARSILLI S.p.A.

ANNEX C

DOCUMENT	CODE OF ETHICS
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INDEX

0. INTRODUCTION	Page 4
1. PURPOSE AND SCOPE	Page 5
2. REFERENCES	Page 5
3. TERMS AND DEFINITIONS	Page 6
4. ETHICAL PRINCIPLES: GENERAL	Page 7
4.1 ETHICAL PRINCIPLES IN PERSONAL RELATIONS	Page 7
4.1.1 Principle of the focus on the person	Page 7
4.1.2 Principle of discrimination rejection	Pagina 7
4.2 ETHICAL PRINCIPLES IN PERSONAL RELATIONS	Page 7
4.2.1 Principle of fairness	Page 7
4.2.2 Principle of legality	Page 8
4.2.3 Principle of professionalism	Page 8
4.2.4 Principle of confidentiality	Page 8
4.2.5 Principle of responsibility to the society and the environment	Page 8
4.2.6 Principle of transparency and information completeness	Page 9
5. ETHICAL PRINCIPLES: SPECIAL SECTION	Page 9
5.1 ADMINISTRATION MANAGEMENT	Page 9
5.1.1 Ethical principles for accounting records	Page 9
5.1.2 Ethical principles for relations with auditors	Pagina 9
5.2 MANAGEMENT OF FINANCIAL RESOURCES	Page 10
5.2.1 Ethical principles for treasury management	Page 10
5.3 MANAGEMENT OF MATERIAL RESOURCES	Page 10
5.3.1 Ethical principles for using assets	Pagina 10
5.3.2 Ethical principles for using IT resources	Page 10
5.3.3 Ethical principles for the use of property protected by intellectual industrial property rights	Page 11
5.4 HUMAN RESOURCE MANAGEMENT	Page 11
5.4.1 Ethical principles for recruitment and selection of human resources	Page 11
5.4.2 Ethical principles for the creation of employment	Page 12
5.4.3 Ethical principles for human resource management	Page 12
5.4.4 Ethical principles for the evaluation of human resources	Page 12
5.4.5 Ethical principles for the provision of training and coaching	Page 13
5.4.6 Ethical principles for managing relations with third parties	Page 13
5.5 MANAGEMENT OF HEALTH AND SAFETY AT WORK	Page 14
5.5.1 Ethical standards and compliance to the applicable regulation regarding safety	Page 14

5.6 MANAGEMENT OF ENVIRONMENTAL ISSUES	Page 15
5.6.1 Ethical principles in the management of aspects and impacts on the environment	Page 15
5.7 INFORMATION MANAGEMENT	Page 16
5.7.1 Ethical principles in the management of third party personal data	Page 16
5.7.2 Ethical principles in the management of Company data	Page 16
5.7.3 Ethical principles in the use of IT systems	Page 17
5.8 RELATIONS WITH CLIENTS	Page 18
5.9 RELATIONS WITH SUPPLIERS	Page 18
5.10 MANAGEMENT OF RELATIONS WITH THE PUBLIC ADMINISTRATION	Page 19
5.10.1 Ethical principles in the management of offers and request for favours	Page 19
5.10.2 Ethical principles in the management of relations with Magistrates and Police Authorities	Page 20
5.11 RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS	Page 20
5.11.1 Value for shareholders, efficiency and transparency	Page 20
5.12 RELATIONS WITH SUBSIDIARIES OR AFFILIATES	Page 21
5.13 RELATIONS WITH EXTERNAL ASSOCIATIONS	Page 21
5.13.1 Ethical principles in the management of relations with political parties and political associations	Page 21
5.13.2 Ethical principles in the management of relations with trade unions	Page 22
5.13.3 Relations with competitors	Page 22
5.14 MANAGEMENT OF RELATIONS WITH EXTERANL ASSOCIATIONS	Page 22
5.14.1 Ethical principles in the management of communications with third parties	Page 22
5.14.2 Ethical principles in the management of communications with the media	Page 22
5.15 MANAGEMENT OF GIFTS AND BENEFITS	Page 23
6. MANAGEMENT OF THE CODE OF ETHICS	Page 23
6.1 COMUNICATION AND AWARENESS	Page 23
6.1.1 Communication	Page 23
6.1.2 AWARENESS	Page 23
6.2 IMPLEMENTATION	Page 24
6.2.1 Company Policy	Page 24
6.2.2 Company procedure planning	Page 24
6.3 INSPECTION	Page 25
6.3.1 Audit	Page 25
6.3.2 Monitoring	Page 25
6.4 VIOLATION AND PENALTIES	Page 25

6.4.1 Reporting violations of the Code of Ethics	Page 25
6.4.2 Disciplinary measures for violations	Page 25
6.5 IMPROVEMENT	Page 26

0. INTRODUCTION

Marsilli S.p.A., founded in 1938 as a company producing winding machines - in more than seventy years of activity characterized by ongoing activity of research and technological innovation, has consolidated its position as the global market leader in the production of winding systems.

The start of the third millennium sees Marsilli S.p.A., motivated to meet the needs of the market and intent on continuing the ongoing evolution that has always distinguished it – Marsilli S.p.A has undertaken a new challenge: using the know-how obtained with its experience, to be positioned among the best solution providers in the world for factory automation for components needing accuracy and process control.

Today Marsilli S.p.A. actively works to confirm its leading position in the supply of winding systems and to consolidate its role as a solution provider for assembly and testing for world standing industrial corporations.

Marsilli S.p.A. is a multinational company with offices in Europe, America and Asia, furthermore there is an extensive sales network all over the world that covers all the major markets.

This strong local presence from the onset allows direct contact between Marsilli S.p.A. and its clients, thereby facilitating communication and mutual interaction.

Marsilli S.p.A's ethical approach to business is of fundamental importance, given the rapid rise in the domestic and overseas market in order to strengthen the sales image of the business; this methodology imprint is also of paramount importance for correct running of the Company structure and maintains the credibility gained with the public, clients and suppliers and in general with the entire socio-economic context in which the Company operates.

In relation to the aforesaid the Company Model of Organisation, Management and control (MOG), designed to prevent committing offences in the interest or to the advantage of the Company as per the Legislative Decree 231/01.

The Code of Ethics represented in this document is therefore an integral part of the organization and management adopted by the Company.

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1. SCOPE AND PURPOSE

Marsilli S.p.A. believes that the knowledge and appreciation of ethical values which drive us represents a competitive value-

The purpose of the Code of Ethics is therefore to formalize and substantiate all the ethical principles that the Company takes as a reference in the conduct of business procedures that comprise its business activities

This is to ensure that the recipients of the Code of Ethics, likely to be acting in good faith, in the interest, or for the benefit of the company shall not violate the principles or regulatory requirements that the Company defines as binding, therefore committing the offence contemplated by the Legislative Decree 231/01. The Code of Ethics applies to all parties that work on behalf of the Company and or with which the Company has relations with, namely:

- Corporate bodies as defined by the Statute;
- Employees (management and operational staff);
- Contractors and external collaborators (including volunteers and interns);
- Goods and services Suppliers (including consultants and freelancers);
- Stakeholders in general

The above said individuals are required to know the contents of the Code of Ethics and contribute to its implementation and disclosure of the principles it represents, promoting respect also by all the staff who have relations with (clients, suppliers, consultants etc).

The rules contained in the Code integrate the behaviour that the recipients are required to comply to under the civil and criminal laws in force, and the obligation under collective bargaining

Recipients of the Code of Ethics are therefore called to ensure that their work complies with the principles defined and specified by the Code of Ethics, in the knowledge that the Company has a disciplinary system designed to punish non-compliance to said principles in the form and manner permitted by the law and legal contract.

Implementation of the Code of Ethics is delegated to the Company Management, that is the people who are part of the Management at various hierarchical levels whether they are managers or people in charge including members of the corporate bodies albeit Managing Partners, Auditors (statutory auditors) or Safety Officers .

2. REFERENCES

The document makes reference to the following requirements:

- Marsilli S.p.A. Statute
- Standard UNI EN ISO 9001:2008 “Quality Management Systems – Requirements”;
- Standard UNI EN ISO 14001:2004 “Environmental Management Systems”;
- Standard OHSAS 18001 “Occupational Health and Safety System”:

- Legislative Decree 8 June 2001 n. 231 “ Administrative liability of legal entities, companies and associations without corporate bodies pursuant to section 11 Act 29th September 2000 no. 300”;
- Legislation Decree n. 81 dated 9th April 2008 “Implementation of section 1 Act 3rd August 2007 no. 123 concerning the safeguard of health and safety in the workplace and subsequent amendments ;
- Legislation Decree 30th June 2003, no. 196 "Code relating to the protection of personal data

3. TERMS AND DEFINITIONS

Definition of the acronyms used in this document:

- IT: acronym for Information Technology (information technology);
- MOG: acronym for Model of Organization and Management pursuant to the Legislative Decree 231/01 (Note: understood as a management system and the document that describes said management system);
- ODV: acronym for Supervisory Body pursuant to the Legislative Decree 231/01;
- Marsilli S.p.A. shall henceforth also be known as “the Company”

Definition of the acronyms used in this document:

- **Model of Organization Management and Control:** system of corporate self-regulation adopted by the Company, the application of which is under the control of a Supervisory Board. It quotes the procedures to be followed in such a way as to prevent offences being committed pursuant to the Legislative decree. 231/2001 in compliance to the values and principles embodied in the Code of Ethics
- **Organization:** group of people and equipment with defined responsibility, authority and interrelation;
- **Supervisory Board:** constituted as a collegial body with autonomy and independence as regards to the Company Management, and in charge of ensuring effectiveness and compliance with the Model of Organisation Management and Control.
- **Employees:** all Marsilli S.p.A. employees
- **Consultants:** anyone acting in the name and/or behalf of Marsilli S.p.A. on the basis of a mandate or other professional collaboration.
- **Clients/users:** For all the people who access the services provided by Marsilli S.p.A. and by goods produced by Marsilli S.p.A
- **Suppliers:** Generally Marsilli S.p.A. contractual counterparties such as companies providing services and consultancy, contractors, engineers, designers, suppliers of raw materials and components, both people and legal entities with whom the company enters into any contractually regulated collaboration.

- **CCNL:** employment contracts applied to Marsilli S.p.A. and related supplementary employment contracts
- **Policy:** guidance formalized by the management in relation to specific areas or management issues
- **Procedure:** specified way to carry out an activity or process;
- **Process:** set of interrelated or interacting activities which transform input elements into output elements.
- **Organization structure:** group of responsibility, authority and interrelations between people;

4. ETHICAL PRINCIPLES: GENERAL

Here follow the ethical principles for general application which should inform the behaviour and decisions of all personnel in carrying out their assigned tasks.

4.1 ETHICAL PRINCIPLES IN PERSONAL RELATIONSHIPS

4.1.1 PRINCIPLE OF FOCUS ON THE PERSON

All company employees must consider respect for human beings as a central and priority value in relation to their work/tasks. This with particular reference to the inalienable rights conferred upon it, for example, freedom, dignity, personal development, respect for political and religious beliefs.

4.1.2 PRINCIPLE OF REJECTION OF ANY DISCRIMINATION

All company employees in all relationships with its stakeholders (clients, employees, suppliers, communities residing in the territory, institutions) shall avoid any kind of discriminatory attitude regarding age, sex, health condition, nationality, language, ethnicity, race, religion, culture and traditions of the trade union or political opinions and lifestyles and different sexual preferences.

4.2 ETHICAL PRINCIPLES IN PROFESSIONAL RELATIONS

4.2.1 PRINCIPLE OF FAIRNESS

All Company employees performing their related tasks shall regularly and rigorously observe principles of honesty, morality, fairness and bona fide.

No company employee shall waive or have waived the above said even if it were to be in the interest or advantage to the Company.

4.2.2 PRINCIPLE OF LEGALITY

All company employees in performing their related tasks must regularly and rigorously observe the laws and regulations in force in Italy and all the countries in which the Company does business in.

All company employees must refuse in every possible way behaviour that may promote or facilitate activities related to culture or religion which may conflict with public order laws recognized by the state and which affect the physical integrity of persons for purposes considered illegal by the laws in force.

No company employee may waive or have waived the aforesaid even if it is in the interest or advantage to the Company.

4.2.3 PRINCIPLE OF PROFESSIONALISM

All company employees in performing their related tasks must regularly and rigorously abide to principles of professionalism, performing their duties with efficiency, effectiveness and economy. This entails the best use of resources and time available to them and in abidance to fairness and legality.

All company employees must treat clients, employees, suppliers, local communities and institutions they represent, as well as any third party with whom they meet for professional reasons with honesty, fairness impartiality and without prejudice.

No company employee may waive or have waived the aforesaid even if it were to be in the interest or advantage to the Company.

4.2.4 PRINCIPLE OF CONFIDENTIALITY

The Company guarantees the confidentiality of data it possesses and commits to processing personal data in compliance to the laws in force.

All company employees are also obliged not to disclose confidential information for purposes which are not connected to performing typical activities.

4.2.5 PRINCIPLE OF RESPONSIBILITY TO THE GENERAL PUBLIC AND THE ENVIRONMENT

The Company is committed to pursuing its objectives fully respecting the local community in which it operates. This applies to every activity even activities carried out outside the headquarters. The Company considers the environment a primary asset to the community and to this end is committed to conducting ongoing monitoring of the environmental impact of their activities and to adopt activities to constantly reduce consumption of energy.

The Company always operates in complete compliance to the applicable regulations in relation to waste disposal and environment management, and also promotes training for its employees and contractors in order to ensure correct management of environmental risks associated to each activity. In this field the Company shall also comply with the technical regulations and the guidelines adopted internationally. Always pursuing the highest commitment to the protection of environmental resources Marsilli S.p.A. obtained the Standard UNI EN ISO 14001:2004 "Environmental Management Systems" .

4.2.6 PRINCIPLE OF TRANSPARENCY AND INFORMATION COMPLETENESS

The Company through its bodies and through its members and associates is required to provide complete, transparent and truthful information to the people in question, therefore promotes collaboration among staff and to whom it may concern in order to achieve maximum transparency of the disseminated information.

5. ETHICAL PRINCIPLES: SPECIAL

In relation to general ethical principles previously described the following shows the ethical principles that apply to the main areas of business management. Said principles are in turn stated for the operational aspects specifically corporate policies or internal regulations.

5.1 ADMINISTRATION MANAGEMENT

5.1.1 ETHICAL PRINCIPLES FOR ACCOUNTING RECORDS

All administrative employees are required to record in a timely, accurate and correct manner every economic, financial, asset and transaction in accordance with accounting principles and current legislation for statutory and tax accounting in order to implement full transparency for stakeholders, third parties and relevant authorities to ensure that the entries made are not false, misleading or deceptive.

Business and administration procedures need to be carried out using updated tools and IT procedures which optimize the efficiency and accuracy, completeness and correspondence to accounting principles, in addition to promoting the necessary audits on legitimacy, coherence and congruency of decision making processes, authorization, execution of actions and operations of the company.

All administrative employees are bound to execute proper preparation of financial statements in accordance with statutory and tax legislations in compliance to the applicable laws and regulations in force, and to provide a transparent and faithful representation of the economic, financial and asset position of the company. All administrative employees at all levels must fully cooperate providing correct and true information related to the activities, assets and business operations, as well as any reasonable request received by the competent authorities.

5.1.2 ETHICAL PRINCIPLES FOR RELATIONS WITH AUDITORS

All administrative employees are required to cooperate with Auditors or similar corporate control organizations, in a fair, transparent and collaborative way. No company employee is authorized or authorize conduct which may prevent in any way whatsoever the accomplishment of duties performed by their Auditors.

Accounting results and of the financial year shall be clearly available to third parties in accordance with legal requirements.

5.2 FINANACIAL RESOURCE MANAGEMENT

5.2.1 ETHICAL PRINCIPLES FOR TREASURY MANAGEMENT

All administrative employees are required to ensure at all times, traceability of cash receipts and payments executed by the proper use of the tools provided by the Company and through the correct application of accounting procedures.

All administrative employees are required to operate at various levels of responsibility in order to avoid the use of cash operations and collection thereof.

No collection of payment may be made in the absence of accounting documents in accordance to the applicable laws.

5.3 MANAGEMENT OF MATERIAL RESOURCES

5.3.1 ETHICAL PRINCIPLES IN THE USE OF CAPITAL GOODS

All company employees are to use the goods provided solely for the purposes of the services for which they are intended and scrupulously respecting the security measures related thereof. No Company employee is authorized to derogate or to let derogate from this provision even if were clearly to be in the interest or benefit to the Company.

All Company employees must look after in accordance to due diligence all company property/goods they are issued with. Goods that are unsuitable for use because they are faulty, need maintenance or are not equipped with the technical and functional features that ensure safe usage, are to be identified and stored as to prevent them being used.

No Company employee is authorized to waive or have waived this provision even if were clearly to be in the interest or advantage to the Company.

5.3.2 ETHICAL PRINCIPLES IN USING IT RESOURCES

All company employees must meet the appropriate security policies for management and use of Information Technology allocated to them (computers and laptops, software, peripherals, email accounts, internet access and to systems outside the Company).

No Company employee is authorized to waive or have waived this provision even if were clearly to be in the interest or advantage to the Company.

5.3.3 ETHICAL PRINCIPLES IN THE USE OF WORKS PROTECTED BY INTELLECTUAL PROPERTY RIGHTS

All company employees must use works protected by intellectual property rights (licenses) in respect of such rights (books, journals, software, databases etc.).

No Company employee is authorized to derogate or to let derogate from this provision even if were clearly to be in the interest or benefit to the Company.

Marsilli S.p.A. guarantees absolute protection of their industrial property rights (trademarks, patents, logos, industrial designs and intellectual property etc.) and those of others.

It is forbidden to falsify, alter, make use of, put up for sale, manufacture or use objects or other goods made up by usurping industrial property.

It is forbidden to put up for sale or otherwise distribute intellectual or industrial products with names, trademarks or distinctive signs apt to mislead the customer in relation to the origin, source or quality of the product or works.

It is forbidden to copy, reproduce, transmit or distribute intellectual works protected by copyright even for advertising marketing purposes without having obtained the necessary authorization and/or paid the necessary rights.

5.4 HUMAN RESOURCE MANAGEMENT

5.4.1 ETHICAL PRINCIPLES FOR THE RECRUITMENT AND SELECTION OF HUMAN RESOURCES

Human resources are an essential factor for the existence, development and success of any business. For this reason the Company protects and promotes the value of human resources in order to improve and enhance assets and competitiveness of each employee's skill in the organizational context.

All Company employees responsible for recruiting human resources, both directly and indirectly through the provision of information and opinions, must comply to the policy of pursuing only the best match between the candidates profiles and the requirements established for the position in question, strictly in accordance to the principle of equal opportunities and without any distinction of age, sex, health conditions, nationality, language, ethnicity, race, religion, culture and traditions, political and union opinions, lifestyles and sexual preferences.

All Company employees responsible for recruiting human resources, both directly and indirectly through the provision of information and opinions, must respect the personal opinion of the candidates and their private lives, restricting the information requested during the interview to merely verifying that the candidate's characteristics fulfill those sought .

All Company employees who are in charge of assessing human resources, both directly or indirectly through the provision of information and opinions, are to avoid favoritism of any kind, with particular reference to candidates whose employment may directly or indirectly be linked to the pursuit of an interest or business advantage of an illicit nature. In case of a conspicuous and blatant potential conflict of interest (see

paragraph 5.4.6), the Supervisory Board is to be informed in accordance to the procedure in being, for a preliminary opinion thereof.

5.4.2 ETHICAL PRINCIPLES FOR THE CREATION OF EMPLOYMENT

All Company employees in charge of establishing working relationships with human resources either directly or indirectly must provide the new employee with accurate and transparent information pertaining to:

- The characteristics of the professional role they were appointed and the duties related thereto.
- All the legislation factors specifically related to the role, and all the rules and procedures to be adopted to avoid potential risks associated to the performance of work duties.
- The contractual aspects both in terms of provisions and salary.

5.4.3 ETHICAL PRINCIPLES FOR THE MANAGEMENT OF HUMAN RESOURCES

All Company employees invested with the power of hierarchical or functional coordination of human resources allocated to them shall conduct the relationship with their subordinates in strict compliance with the moral integrity of individuals and reject any form of discrimination.

The following are deemed intolerable:

- Threats, psychological pressures or simply demands that induce the human resources in question to behave illegally, in a discriminatory way or be offensive even if in the interests or for the benefit of the Company
- Any act of physical, psychological, moral (“mobbing”) and any conduct or demand to the human resources by the person in charge thereof which entails the violation of this Code of Ethics even if performed in the interest or to the advantage to the Company.

5.4.4 Requests to the human resources given as a duty for personal favours (also in relation to third parties external to the Company) or any conduct which constitutes a violation of this Code of Ethics even if in the interest of or to the advantage of the Company.

5.4.5 ETHICAL PRINCIPLES FOR THE EVALUATION OF HUMAN RESOURCES

All Company employees who are responsible for assessing the performance and growth potential of the human resources for career purposes must comply with the principles of meritocracy, transparency, fairness and objectivity in the assessment of the achievement of the objectives assigned to the human resources that cover the various organizational roles to ensure that everyone has the same opportunities for professional and career development.

5.4.6 ETHICAL PRINCIPLES FOR THE PROVISION OF TRAINING AND COACHING

All company operators who are directly or indirectly responsible for recognizing the training needs of human resources shall acknowledge said training needs in

anticipation of objective requirements designed in order to fulfill regulatory requirements (mandatory and techniques), to improve the quality of services given by the Company to its customers to develop the professional potential of individuals. In no case is an instrumental, discriminatory or inappropriate use allowed albeit positive or negative of training mechanisms even if it were to be in the interest or benefit to the Company.

All company employees directly or indirectly responsible of managing funded training projects possibly together with third parties, shall perform in complete compliance to the laws in force and ensure the effective provision of the approved training project and the related timely and accurate reporting. In no event shall company employees derogate ask to waive or agree to waiver said principles even if it were in the interest or advantage to the Company.

All human resources subject to training plans must participate in said plans as normal performance of their related duties. Company employees who are responsible for hierarchical and functional coordination of human resources subject to training shall facilitate their participation in said activities.

All new entry human resources or those who have been assigned new duties must be subject to a specific period of training care of company employees who are responsible for coordination

5.4.7 ETHICAL PRINCIPLES TO MANAGE REPLATIONS WITH THIRD PARTIES

All company personnel are prohibited from receiving or accepting gifts, bonuses of any kind whose market value is more than symbolic, by suppliers, users or any other entity who they may come into contact with on behalf of the Company.

All company personnel working in the name and on behalf of the Company who currently or potentially have an interest which is in conflict with that of the Company must refrain from engaging in any such act and report the existence of said conflict to the Management so that appropriate assessments are carried out, such as appoint another employee or co-worker who is not in the same situation.

Situations which are considered as conflict of interest are those where employees, members of corporate bodies or others who act in the name and on behalf of the company and through their work and or as a result of occasional assignments find themselves having to make choices in which the corporate interest expected from the nature of the relationship or mandate conflicts directly or indirectly with a personal interest. Such a conflict is always implied in the case of transactions with “correlated parties” as defined by a specific internal procedure.

In any case the conflict of interest and the decisions taken in this regard must be notified to the Supervisory Board.

It is also forbidden to pursue their own interests at the expense of the company's interests, or make unauthorized personal use of company assets, either directly or indirectly hold interests in competing companies. If there were to be direct or indirect

interests in customer companies, suppliers, or companies involved in the certification of accounting must be reported to the O.d.V.. Any communication to the O.d.V. related to conflict of interest must be submitted within the first 10 days from when the conflict arose.

5.5 MANAGEMENT OF HEALTH AND SAFETY IN THE WORKPLACE

5.5.1 ETHICAL PRINCIPLES AND COMPLIANCE WITH THE LAWS APPLICABLE TO SAFETY

The company protects the physical and psychological integrity of its employees, working conditions which respect the dignity of individuals with workplaces that are safe and healthy and fully comply to the laws in force in relation to accident prevention in the workplace and protection of employees.

Every company decision related to health and safety at work must take into account the following fundamental principles and criteria:

- Risk evaluation;
- Reduce risks that cannot be avoided ;
- Training staff to be aware of the risks ;
- Eliminate risks at the source;
- Adapt work to the individual – in particular with regard to the organization of the work, conception of work, the choice of equipment and work method;
- Take into account the degree of technical evolution;
- Replace what is dangerous with what is not or is less;
- Give priority to collective protective measures with respect to individual protective measures ;
- Promote a culture of wellbeing and safety within the company ;
- Promote at all hierarchical levels awareness of the role in relation to health and safety in the workplace.

The company plans prevention aiming at a coherent system which integrates the technique itself, working conditions, social relations and the influence of work environment factors.

The company is committed to promoting and consolidating among all its employees/collaborators a culture of safety, developing risk awareness and promoting responsible behavior, also by giving appropriate instructions.

All personnel contribute to the process of risk prevention and health and safety with respect to themselves and that of their colleagues and third parties, subject to individual liability under the provisions of the applicable law.

Accordingly:

- All personnel must systematically, regularly and scrupulously comply with the health and safety provisions in the workplace
- All personnel responsible for coordination of human resources must systematically, regularly and scrupulously comply with the health and safety provisions in the workplace

- All personnel responsible for coordinating or interfacing with suppliers, work providers and external collaborators must systematically, regularly and scrupulously comply with the health and safety provisions in the workplace

No employee may waive or have waived the aforesaid even if it is in the interest or to the advantage of the Company.

The provisions relating to health and safety in the workplace are constituted as well as the regulatory requirements by:

- Policies and objectives in relation to health and safety at work;
- D.V.R. and procedures related to health and safety at work

As part of the company's activities it is absolutely prohibited to use drugs or alcohol, smoking is prohibited in the workplace in compliance to the laws in force and in any case where smoke can cause danger to the facilities and company assets or to the health and safety of colleagues and third parties.

As part of the pursuit for an ever higher degree of health and safety Marsilli S.p.A. has obtained the OHSAS 18001 "Occupational Health and Safety System" certification.

5.6 MANAGEMENT OF ENVIRONMENTAL ISSUES

5.6.1 ETHICAL PRINCIPLES IN THE MANAGEMENT OF ENVIRONMENTAL ASPECTS AND IMPACTS

The environment is a primary asset to the community and Marsilli S.p.A. wishes to contribute to its safeguard. To this end it plans its activities seeking a balance between economic initiatives and environmental needs in compliance with the applicable provisions, with the utmost cooperation to the authorities responsible for the surveillance and protection of the environment.

All employees contribute to the safeguard of the environment. In particular all employees must systematically, regularly and rigorously comply to the regulatory requirements relating to the environment, starting from correct division of waste taking the utmost care to avoid any illicit discharge and emission of harmful waste, and treating the waste in accordance to the regulatory requirements.

No employee shall waive or have waived the aforesaid even if there were to be an interest or advantage to the company.

As already stated, Marsilli S.p.A. has obtained the Standard UNI EN ISO 14001:2004 "Environment Management System".

5.7 INFORMATION MANAGEMENT

All information and other material related to the activity of the Company of which the recipients are aware of or possess in relation to the their employment or profession are stictly confidential and exclusive property of the Company. Such information may include present and future activities, information and news which is not yet widespread even though may be disclosed in the near future.

Particular importance is given to confidential information relating to customers/users and who in any way have relations with Marsilli S.p.A..

The Company for this purpose guarantees confidentiality in data processing and acquiring appropriate organizational measures determined in accordance with the dictates of the law 196/03.

In addition any other kind of information documents, or data that are not common knowledge and are related to their own acts and operations and the responsibility of each task shall not be disclosed still less used for different purposes without specific authorization.

5.7.1 ETHICAL PRINCIPLES IN THE MANAGEMENT OF THIRD PARTY PERSONAL DATA

All employees (who are responsible for dealing with data processing) in the performance of their duties which process third party personal data pursuant to the Legislative Decree 196/03 “privacy” must systematically and rigorously comply to the purposes of data processing.

No employee shall waive or have waived the aforesaid said even if it were to be in the interest or to the advantage of the Company.

All employees in the performance of their duties in processing third party personal data pursuant to the Legislative Decree 196/03 “privacy” must systematically and rigorously comply to the company provisions drawn up in order to ensure adequate levels of security.

The provisions relating to information security are constituted as well as regulatory requirements including by:

- Policies and objectives in relation to information security;
- Procedures in relation to information security.

Some of these measures shall be contained or referred to by the Security Planning document drawn up pursuant to legislative decree 196/03.

All employees must preserve the integrity, availability and confidentiality of the data and documents entrusted to them.

No employee shall waive or have waived the aforesaid even if it were to be in the interest or advantage to the company.

5.7.2 ETHICAL PRINCIPLES FOR MANAGING COMPANY DATA

All employees who in performing their duties process company data in any format (hard copy or electronic) of any nature (administrative data, economic financial or technical data etc.) must systematically adhere to company provisions in order to ensure the integrity, availability and confidentiality of the data itself .

All employees in performing their duties of processing company data must systematically and rigorously comply to the company provisions in order to ensure adequate security levels.

Provisions related to information security are also constituted besides the regulatory requirements by:

- Policies and objectives in relation to information security;
- Procedures related to information security.

Some of these procedures are contained or referred to by the Security Planning document drawn up pursuant to the legislative decree 196/03.

All personnel must preserve the integrity, availability and confidentiality of the data and documents entrusted to them.

No employee shall waive or have waived the above said even if it were to be in the interest or to the advantage to the company.

5.7.3 ETHICAL PRINCIPLES FOR USING IT SYSTEMS

Information technology resources are a fundamental tool for correct company running and competitiveness, since it ensures the speed, coverage and accuracy of the flow of information. Information technology resources are a fundamental tool for the correct competitiveness of the Company, since it ensures speed, accuracy and widespread flow of information needed for the effective management and control of business operations.

All the information stored in the Company's computers and electronic systems including e-mails are owned by the Company and shall be used exclusively for the conduct of business activities and with the procedures and limits established by the Company.

All company employees who in the performance of their duties using the Company's IT systems, also possibly to connect to other systems, must keep to professional purposes and circumscribed within the scope of their duties. Furthermore they also need to systematically and rigorously follow the provisions applicable in relation to information security.

The provisions relating to information security are established by the regulatory requirements as well as and including the following:

- Policies and objectives in relation to information security;
- Procedures in relation to information security;

To ensure compliance with the rules and regulations concerning privacy all personnel must use IT technology correctly and legally avoiding any procedure which may damage information, data, programs or IT systems, of others and/or interception, obstruction or illicit interruption of electronic communication of others.

Access to computer systems and programs shall respect the rights of others using these systems and programs, elusively using procedures and passwords legitimately obtained.

The transmission of data and information (e-mails) to public entities or otherwise in relation to documents of probative value, must comply to criteria of legitimacy, truth exact correspondence to the facts and circumstances portrayed.

All company employees must preserve the integrity, confidentiality and availability of the data and documents entrusted to them.

No Company employee shall waive or have waived the above even if it is in the interest or advantage to the Company

5.8 CLIENT RELATIONS

The primary objective for Marsilli S.p.A. is the full satisfaction of its clients, through conduct which is reliable, correct and ensures high quality products and services. The

Company defines contracts and relations with clients in a correct, complete and transparent manner in accordance with the laws in force (also with reference to regulations on money laundering, data protection, transparency and usury) regarding regulations, code of Ethics and internal procedures.

Even when unexpected events or unforeseen situations occur Marsilli S.p.A. meets the customer's expectations, handling contracts with equity without exploiting conditions of weakness or ignorance when unexpected events arise. Recipients are prohibited from entertaining business relations with clients or potential clients which are known to be or are suspected of being involved in illegal activities, and in evaluating clients must take into account their ability to fulfill their payment obligations.

In relations with clients, Recipients shall not offer nor accept gifts or any other form of benefit or other which might be construed as a means of obtaining favorable treatment for any activity related to Marsilli S.p.A. and are not attributable to normal business relations and courtesy.

5.9 SUPPLIER RELATIONS

Relations with the Company's suppliers, including financial contracts and consulting are governed by the provisions of this code and are subject to constant and careful monitoring by the Company through the process of evaluating suppliers including compliance with the specific internal procedures.

Any supplier who has the necessary characteristics for the specific type of appropriate supplies may apply to be one of the Company's Accredited Suppliers. Selection of suppliers and the means to determine purchase conditions are to be based on an objective assessment of the quality and price of the goods and services offered, and ensure timely and adequate level of goods and services to meet the needs of the Company.

All suppliers are required to comply with current regulatory requirements, particularly those governing health and safety in the workplace, on money laundering and receiving stolen goods, and the legislation related to conspiracy to commit crime and mafia related crimes.

No company employee shall waive or have waived the aforesaid even if it is in the interest or advantage to the Company.

All Company employees called upon to negotiate and draw up contracts with suppliers must comply to the applicable regulatory requirements and must adhere to principles of good faith, fairness, transparency, and accuracy and avoid taking advantage of loopholes in contracts or unforeseen events, taking advantage of the failing incurred by the supplier:

Accordingly:

- No contract clearly and excessively unfavorable to the supplier must be undersigned
- All contracts and orders must be documented in writing and registered, also in the form of open supply contracts.

- No supplier is to be preferred to another because of personal relationships, favoritism or other advantages.

No Company employee shall waive or have waived the aforesaid even if it is in the interest or to the advantage of the Company.

5.10 RELATIONS WITH PUBLIC ADMINISTRATION

Public Administration (abbrv. P.A.), a group of institutions and public authorities (town councils, provinces, regions, ministries etc.), and private (public bodies, agents etc.,) who carry out administrative functions in various ways for the public and therefore in the public interest.

In its relations with the Public Administration (hereinafter PA) Marsilli S.p.A. pays particular attention to any act, conduct or agreement in any and every way so that they are of the utmost transparency, fairness and legality.

Public Administration entails all bodies related to the Local and Territorial Authorities, as well as the local Health Authorities, Internal Revenue, and Work Inspectors.

5.10.1 ETHICAL PRINCIPLES IN THE MANAGEMENT OF OFFERS AND REQUEST FOR FAVOURS

Company employees are not allowed to offer or promise individuals who work for the Public Administration as well as their family members economic benefits, money or other property with the aim of obtaining directly or indirectly any deeds/document or omission thereof or tampering in the judgment in the interest or to the advantage of the Company.

Gifts which fall within the normal standards of courtesy shall be of a negligible economic value as defined in paragraph 5.15.

No company employee shall waive or have waived the aforesaid said even if it is in the interest or to the advantage of the Company.

Company employees are not allowed to accept requests for favors or other benefits from persons who work for the Public administration even if it were in the interest or to the advantage of the Company. All employees are required to immediately report such requests in accordance to company procedures of the Organization and Management.

No Company employee shall waive or have waived the aforesaid even if is in the interest or to the advantage of the Company.

5.10.2 ETHICAL PRINCIPLES IN THE MANAGEMENT OF RELATIONS WITH MAGISTRATES AND POLICE AUTHORITIES

All company employees are required to collaborate with Magistrates and police authorities and provide timely, fully, accurate and truthful information they may be

aware of. The aforesaid shall be done with particular reference to possible evidence they may need to give.

No Company employee shall waive or have waived the aforesaid even if it is in the interest or to the advantage of the Company.

5.11 RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

5.11.1 VALUE, EFFICIENCY AND TRANSPARENCY FOR SHAREHOLDERS

Marsilli S.p.A.'s internal structure and relations with persons who are directly or indirectly involved in the activities, are organized according to rules that ensure the reliability of management and fair balance between the powers of the management and the interests of shareholders in particular and other stakeholders in general as well as transparency and awareness of management decisions and of general corporate events.

Considering that to date Marsilli S.p.A. is not a listed company, therefore it is believed that the indirect influence of the Company's activities on the global market is limited. Marsilli S.p.A. shall nevertheless endeavor to respect the interests of all possible stakeholders through the implementation of high standards of organization and communication.

As part of its efforts to maximize value for its shareholders and ensure management transparency, Marsilli S.p.A. defines, implements and progressively adapts a coordinated and coherent system of rules of conduct related both to its internal organizational structure and to relations with shareholders and third parties, in accordance with the highest standards of corporate governance in national and international context, with the awareness of the fact that the ability of the Company to set efficient and effective operating rules constitutes an unavoidable means to strengthen its reputation in terms of reliability and transparency and trust by the Stakeholders.

Marsilli S.p.A. considers it necessary for shareholders to participate in pertinent decisions and make informed choices. The Company is therefore committed to ensuring maximum transparency and timely information provided to shareholders in compliance to the applicable regulation

The Company is also committed to give due consideration to the legitimate remarks expressed by shareholders at the appointed premises.

5.12 RELATIONS WITH SUBSIDIARIES OR AFFILIATES

Marsilli S.p.A. firmly believes that attainment of its objectives is achieved through the optimization of synergies with Subsidiaries, when all those who work for the Group provide their skills, each with their respective functions.

To this end, Marsilli S.p.A. extends the Code of Ethics to the Group companies so that – and with the exception of cases applicable to the Parent Company alone – formally adopt it as a management tool and an effective means of policy and organization.

Marsilli S.p.A. promptly provides the subsidiaries all the information that may facilitate the management and integration to the policies of the Group. The Executive Management also enables the management and the structure of the Subsidiaries to participate in the path of excellence of the Group, providing opportunities for training and defining appropriate investment policies.

The mutual benefits arising from belonging to the Group are in any case to be pursued in compliance with the regulations and in the autonomous interest of each company to create value.

In cases of acquisition, Marsilli S.p.A. undertakes to ensure that the activities, organization and management of potential companies to be acquired are consistent with the principles sanctioned in its Code of Ethics; in this perspective the executives of the new company are required to provide all information likely to facilitate the process of integration in the organizational structure of the Group.

5.13 RELATIONS WITH EXTERNAL ASSOCIATIONS

5.13.1 ETHICAL PRINCIPLES IN THE MANAGEMENT OF RELATIONS WITH POLITICAL PARTIES AND POLITICAL ASSOCIATIONS

No Company employee is authorized to pledge or grant favors including direct or indirect funding to Italian or foreign political parties or their representatives or candidates. This also extends to sponsoring conferences or parties aimed only at political propaganda

No Company employee shall waive or have waived the aforesaid even if is in the interest or to the advantage of the Company.

5.13.2 ETHICAL PRINCIPLES IN THE MANAGEMENT OF RELATIONS WITH TRADE UNIONS

No Company employee is authorized to pledge or grant favors, including direct or indirect funding to trade unions or their representatives and candidates. This also extends to sponsoring conferences or parties with the purpose of collecting party support.

No Company employee shall waive or have waived the aforesaid even if is in the interest or to the advantage of the Company.

5.13.3 RELATIONS WITH COMPETITORS

Marsilli S.p.A. believes in free and fair competition and aligns its actions to achieve competitive results which reward skills, experience and efficiency, operating within a complex international market.

Any action aimed at altering the conditions of fair competition is contrary to Company policy and is forbidden for any person acting for the aforesaid.

No circumstance in the pursuit of the Company's interest shall justify the conduct of senior management or other company employees which is not in compliance to the laws in force and comply to this Code of Ethics.

5.14 MANAGEMENT OF EXTERNAL COMMUNICATIONS

5.14.1 ETHICAL PRINCIPLES IN THE MANAGEMENT OF RELATIONS WITH THIRD PARTIES

All contact with the media shall be kept exclusively by the members of the board of Directors and by persons specifically authorized by the Board.

Communications outside the company to the public shall be conducted with respect for the right to information. Under no circumstances is it permitted to disclose false or misleading information or comments.

All Company employees shall communicate in documentary form, on radio or television, computer or orally with external parties including the public or territorial collectivity, exclusively in rigorous compliance and systematically with the constraints of the mandate given to them (whether ad hoc or for specific initiatives or in the performance of their duties).

No Company employee shall waive or have waived the aforesaid even if is in the interest or to the advantage of the Company.

5.14.2 ETHICAL PRINCIPLES IN THE MANAGEMENT OF COMMUNICATIONS WITH THE MEDIA

Information provided to the media must be accurate, coordinated and consistent with the principles and policies of the company, and shall comply with the laws, rules, and standards of conduct; must be carried out with clarity and transparency.

All Company employees called upon to deal with the media shall provide timely information in accordance with truthfulness, completeness, clarity and accuracy. It is absolutely forbidden for all Company employees to disclose false information. In any communication out of the company, the information related to the Company shall be truthful, clear and verifiable.

No Company employee shall waive or have waived the aforesaid said even if is in the interest or to the advantage of the Company.

5.15 MANAGEMENT OF GIFTS AND OTHER BENEFITS

There shall be no form of homage that might be interpreted as exceeding normal commercial practice or courtesy or aimed at obtaining favorable treatment in conducting any activity related to the Company.

It should be noted that this regulation applies both to gifts given, promised or offered as well as those received, gifts meaning any kind of benefit (free participation at conferences, promise of a job offer etc).

Gifts may be given, promised or offered to third parties exclusively by the management, and should be modest and documented in order to allow the necessary checks. If the gift cannot be considered of modest value, and in any case exceeds the amount of € 250, the Board of Directors shall be informed.

Company employees are allowed to receive gifts or benefits only if they are of modest value. Gifts cannot be considered of modest value in excess of € 250.

In the case of receipt of gifts that are not considered of modest value, and however given the absolute presumption above, if a value exceeds € 250, immediate notice shall be given to the Board of Directors who shall assess the appropriateness and notify the sender the Company's policy thereof.

6. MANAGEMENT OF THE CODE OF ETHICS

6.1 COMMUNICATION AND AWARENESS

6.1.1 COMMUNICATION

The Company has scheduled a specific process to communicate the Code of Ethics to all Company employees (employees and contractors).

The Code of Ethics is available from the Company for consultation by all the stakeholders.

6.1.2 AWARENESS

The Company has planned a specific process to ensure continuous and systematic awareness of Company employees with regard to proper application of the code of Ethics. This shall be in order to develop, maintain and increase the awareness of company employees regarding the unacceptability of any behaviour likely to violate the principles established by the Code of Ethics, even if were to be in the interest or to the advantage of the Company.

6.2 IMPLEMENTATION

In order to ensure the correct implementation of the principles expressed in this Code of Ethics, the Company defines specific protocols for operational use in the form of policies, procedures, instructions, guidelines and regulations.

6.2.1 COMPANY POLICIES

The Company shall inform its management policies to the principles expressed in this Code of Ethics. This with reference to the following areas of management:

- Policy for the management of quality;
- Policy for the management of health and safety at work;
- Policy for the management of information security;
- Policy for the management of Information Technology services;
- Policy for the management of the environment.

Company policies are subject to verification by the Supervisory Board who may express opinions in relation to updates.

6.2.2 BUSINESS PROCESS PLANNING

The Company plans major management processes in order to ensure proper management thereof in accordance to the principles expressed in this Code of Ethics. By scheduling individual processes the Company defines :

- Regulatory requirements applicable thereto;
- Objectives pursued in order to prevent risk of violation of the code of Ethics;
- The procedures which are applicable for each process “who does what”, in accordance to the principle of segregation of duties among the various actors in ;
- The operating instructions or regulations governing the conduct of specific activities of each process;
- Recordings designed to provide objective evidence of the conduct of the individual activity;
- Human resources both internal and external to the process and related key competencies.
- Infrastructure assets used in the conduct of the process with particular reference to IT resources;

6.3 AUDITING

6.3.1 AUDIT

The Company has planned its own specific process to carry out audits in order to verify the correct application of the Code of Ethics as an integral part of the MOG the Company has adopted for use.

The audit Commission is identified in the Supervisory Board. The Supervisory Board shall perform such activities either directly or through internal company functions or external consultants.

6.3.2 MONITORING

Monitoring the compliance to the code of Ethics is the duty of all Company employees in relation to their competences and the tasks and activities they perform - specifically;

- The Board of Directors is bound to supervise correct implementation by Company employees subject to the principles set out in this code of Ethics, promoting awareness;
- The Supervisory Board is bound to technically and operationally support the Board in their supervising duties.

6.4 VIOLATIONS AND PENALTIES

6.4.1 REPORTING VIOLATIONS TO THE CODE OF ETHICS

The Company has planned a specific process to ensure that violations (even if only hypothetical or potential) of the principles expressed in the Code of Ethics are systematically and promptly brought to the attention of the Supervisory Board.

The Supervisory Board is responsible for investigating evidence of the reported violation, after hearing out the reasons of the person who reported and of the alleged violator, the said fact is to be reported as defined in the Operation Rules of the Supervisory Board.

6.4.2 DISCIPLINARY MEASURES IN CASE OF VIOLATIONS

The provisions contained in this Code of Ethics are an integral part of the contractual obligation of employees, collaborators and suppliers. Violations of the principles enunciated have a negative effect on the relationship of trust that there is, and determine measures in line with the violation.

Employees who violate the Code of Ethics face measures taken following the disciplinary and logic defined by the National Collective Agreement which the violator refers to, pursuant to section 2104(*) and 2105(**) c.c..

The provisions applied may consist simply in a warning or admonition, a disciplinary lay-off without salary, or in more serious cases dismissal. The implementation of the measures decided upon must always be carried out in accordance to the laws in force and applicable National Contract and preceded by a hearing with the employee. The above said regardless of any inquiry or criminal proceedings if the violations constitute crimes.

For members of the Board of Directors non-compliance to this Code of Ethics entails the issuance of a warning letter – ongoing illegal behaviour shall lead to immediate disciplinary dismissal from the activity of the Board of Directors.

For employees, suppliers, users and consultants, the measures put in place are essentially the termination of the contract realized through the appropriate procedures.

In addition to the foregoing, the Company reserves the right to take any legal action to obtain compensation for the damages it has undergone as the result of the violation.

The Company has defined in the general part of the MOG its own Disciplinary and Sanctions System in which the delivery mode of the disciplinary measures and sanctions is given.

***Section 2104 Employee diligence**

The Employee must use due care required by the nature of the task, the interests of the Company and to that of the higher national production (1176).

The employee must also comply with the provisions for the execution and discipline of the work given by the entrepreneur and by co-workers to whom he hierarchically accounts to.

****Section. 2105 Duty of loyalty**

The employee must not engage in business on his behalf or for third parties in competition with his employer, nor disclose information relating to the organization and production methods of the Company, or use them to the detriment of the Company.

6.5 IMPROVEMENT

The Code of Ethics is subject to ongoing improvements in relation to:

- Significant changes within the corporate structure, organizational, infrastructural services;
- Significant changes in the regulatory framework referred to
- Changes to the Company's risk profile;
- Occurrence of incidents and non-compliance events as a result of current and potential violations to the Code of Ethics.

The Supervisory Board expresses binding opinions regarding adaption of the Code of Ethics and makes use of internal and or external expertise for its update.