

CODE OF ETHICS

of the Maccaferri Industrial Group

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1. FOREWORD

The Maccaferri Industrial Group (hereinafter, the Group) has always been recognised for its seriousness and reliability and for the professional approach of its managers, to whom the Owners have constantly entrusted the responsibility for managing and developing the individual companies, in accordance with the Holding Company's strategic policy.

The Group firmly believes in the value of work and considers legality, fairness and transparency in conduct to be essential conditions for achievement of its economic, production and social objectives.

The value and importance of the Code of Ethics have been heightened by the provision of specific liability of entities in the event of the perpetration of crimes and administrative offences.

2. ADDRESSEES

Compliance with the principles and conduct guidelines set forth in this Code must be a priority for all Employees, Directors, Statutory Auditors, Agents, Distributors, Partners, Consultants, Suppliers, Collaborators and all those who operate, both in Italy and abroad, in the name and on behalf of the Group (the “Addressees”).

Observance of the provisions of the Code of Ethics forms an integral part of the contractual obligations of Employees. Breach of said code by the Addressees constitutes, as the case may be, a disciplinary offence (for which sanction may be imposed pursuant to applicable rules) and/or contractual default and could lead to compensation of damages that may have been caused to the group by said breach.

3. COMPLIANCE WITH LAWS AND REGULATIONS

The Addressees must carry out their activities in a context of maximum transparency and in full compliance with the laws and regulations in force in the place and at the time in which they are operating.

Each Employee undertakes to gain as much knowledge as possible of the applicable regulations governing his activity and of the liability arising from their breach.

4. PROTECTION OF COMPANY RIGHTS AND RESOURCES

Each corporate Function must endeavour to be fully informed, for its sector of responsibility, of the rights to which the Group is entitled pursuant to laws, contracts or relations with Public Administration and must not engage in conduct that may in any way damage its interests:

For this purpose, each Employee is responsible for the safe-keeping, preservation and protection of the Group assets and resources with which he is entrusted as part of his activities and must use them in a proper way and in the company's interest, preventing any improper use.

Each situation that may even potentially be considered detrimental to the rights and interests of the Group must be promptly reported to the Managing Directors and, by the latter, to the Board of Directors, so that it may take the necessary protective measures with similar promptness.

5. HUMAN RESOURCES

5.1 Professional enhancement and selection.

All Employees must be treated in strict compliance with the principles and values set forth in this section, in a climate which encourages communication and cooperation between employees and with their superiors, fairness and mutual respect.

The Group pursues a policy based on recognition of merits and respect of equal opportunities and makes no discrimination on the basis of gender, racial and ethnic origin, nationality, age, political opinions, religious beliefs, state of health, sexual orientation or economic-social conditions.

The Employees' dedication and professionalism are decisive elements for achievement of Group objectives. For this reason, the Group strives to develop the skills, expertise and talent of each Employee following a policy based on merits and equal opportunities.

The selection, pay-grading and career path of corporate employees are exclusively based, without any form of discrimination, on objective considerations concerning the professional and personal characteristics required for executing the work to be performed and the skills shown in carrying it out, avoiding any form of favouritism or special treatment.

The employment relationship is executed in compliance with the sector collective contractual legislation and with legislation on social security, tax and insurance.

All personnel are hired by the Group with a regular employment contract. No form of irregular or child labour or exploitation of workers is tolerated.

5.2 Professional training

The Group contributes to the professional training and development of its Employees, periodically offering them opportunities to exchange knowledge and information on their work experiences, as well as other training activities, in order to promote their growth and allow them to develop their professional skills within the Group.

Each Employee must strive to create a working environment that is stimulating and gratifying and that therefore encourages development of each person's potential.

Any form of retaliation against Addressees who refuse to implement unlawful conduct or who complain of or report such conduct, is forbidden. In developing human resources, the Group endeavours to create and maintain the necessary conditions to allow the skills, expertise and know-how of each Employee to be further expanded, in order to ensure efficient achievement of corporate objectives.

The Group does not tolerate forms of influence that could in any way affect statements to be provided to the Judicial Authorities.

5.3 Remuneration

Without prejudice to compliance with mandatory regulations, the remuneration system, at any level, both with regard to the cash portion and to the portion consisting in benefits, must be based on the principle according to which remuneration is determined solely on the basis of assessments concerning the training, specific professional skills, experience gained, merit proven and achievement of set targets.

It is forbidden to even propose increases in remuneration, other advantages or career progression in return for carrying out activities that are contrary to the law, this Code and internal rules and regulations, even as regards competence.

6. BUSINESS ETHICS

6.1 General Principles

In choosing consultants, agents, suppliers, distributors, collaborators and partners of various kinds, the Addressees must specifically check their reliability and integrity, also with regard to compliance with the principles contained in this Code of Ethics.

All contracts into which the Addressees may enter, in the name and on behalf of the Group, with other private or public entities, must be established and managed in compliance with the values of fairness, transparency and good faith.

6.2 Donations, benefits or other advantages and sponsorships

In every business relationship with customers, suppliers, trade unions or Public Officials, courtesy gifts or acts of hospitality are only permitted when, by their nature and value, they cannot be interpreted by an impartial observer as having been given in order to obtain favourable treatment. In any case, such donations must always be made in compliance with the rules contained in any internal rules and/or practices adopted over time and appropriately documented.

If an Employee receives gifts and favourable treatment not directly attributable to common courtesy, he must inform the Supervisory Body or – if not appointed – the Head of Function who shall inform the Managing Director.

The Group may provide contributions and sponsorships to support initiatives proposed by public and private entities and non-profit associations, regularly established pursuant to law.

Sponsorships and contributions may concern events and initiatives of a social, cultural, artistic or institutional nature. They may also be used for conducting studies, research, holding conventions and seminars concerning topics of interest to the Group.

6.3 Relations with Public Administration

Relations with Public Administration are maintained by the Managers expressly authorised by the Board of Directors or by the Board Member delegated or by the persons delegated by the latter, in compliance with the provisions of this Code.

For example, it is forbidden to engage in any of the following conduct, either in Italy or abroad:

- [Promise, offer or in any way pay or provide sums, assets in kind or other benefits (unless they are gifts or benefits of modest value and consistent with normal business practices), even following unlawful pressure, for personal use, to public officers or to private actors, when they are responsible for a public service, with the aim of promoting or favouring Group interests. The aforesaid provisions cannot be evaded by using various forms of aid or contributions, such as, appointments, consultation, advertising, sponsorships, employment opportunities, business opportunities or any other type of opportunity, etc.;
- [Engage in such behaviour with regard to the spouses and relatives by blood or marriage of the persons referred to above;
- [Engage in behaviour intended to unduly influence the decisions of the officers dealing with or making decisions on behalf of Public Administration;
- [Provide or promise to provide, solicit or obtain information and/or documents that are confidential or such as to compromise the integrity or reputation of one or both of the parties in breach of the principles of transparency and professional propriety;
- [Have the Group represented by a consultant or by a “third” party when conflicts of interest may be created; in any case these persons and their personnel are subject to the same provisions that bind the Addressees.

The conduct described is forbidden during business negotiations, requests or relations with Public Administration and also upon their conclusion, if engaged in with regard to officers who dealt with or made decisions on behalf of Public Administration.

The Addressees must make sure that statements or testimonies provided to public officers are accurate and truthful.

The Managing Director must be immediately informed of any legal action, as well as of any communication or warning received from Public Authorities.

In choosing independent third parties as Agents, Distributors, Partners, Suppliers, Consultants, Collaborators and all those who operate both in Italy and abroad, in the name and on behalf of the Group, the Group must check their reliability and integrity, also with regard to compliance with the principles contained in this Code of Ethics.

6.4 *Relations with suppliers – consultants – partners*

The selection of suppliers of goods or services and the purchase of goods and services of any kind is performed by specially delegated functions, on the basis of objective and traceable criteria in pursuit of the most favourable balance between economic advantage and quality of service.

In relations with suppliers, the Group is guided by principles of transparency, equality, fairness and free competition.

Specifically, in these relations the Addressees are obliged to:

- [Operate within the law and legislation in force and observe any internal rules and/or practices for selection and management of relations with suppliers;
- [Establish efficient, transparent and collaborative relations, maintaining an open and direct dialogue in keeping with best business practices;
- [Obtain the suppliers' cooperation in constantly ensuring the most advantageous relationship between quality, cost and delivery times;
- [Demand application of the contractually established conditions;
- [Request suppliers to abide by the principles of this Code of Ethics and include a special provision in contracts.

In the case of supply of goods, the Group checks that the goods received match the goods actually ordered as far as possible.

With specific regard to the supply of agro-food substances, the Group also provides for specific contractual clauses which ensure that the actual origin of the goods matches the declared origin.

External consultants are selected by specially delegated functions. For this purpose, the Addressees must observe the internal rules governing selection and management of relations with external consultants. The fees of the external consultants must be strictly commensurate with the service indicated in the contract.

In developing relations with other Partners through the establishment of new companies and/or the signing of joint venture and similar contracts, the Addressees must ensure observance of the principles of this Code of Ethics, identifying as potential partners persons or entities with a respectable reputation, that engage only in lawful activities and that are guided by ethical principles similar to those set forth in this Code.

6.5 Relations with customers

The Group's success is essentially based on its capacity to satisfy its customers' needs and to maintain the highest levels of quality, performance and reliability.

The Addressees must contribute to these policies by identifying the customers' needs and seeking to accommodate their expectations, using the Group resources and resources to the best advantage.

In relations with customers the Group is guided by principles of transparency, equality, fairness and free competition. The Group ensures correctness and clarity in business negotiations and in the assumption of contractual obligations, as well as the diligent performance of contract.

Specifically, in relations with customers all the Addressees are obliged to:

- [Operate within the law and legislation in force and observe any internal rules and/or practices for selection and management of relations with customers;
- [Refrain from arbitrary discrimination of customers, and from seeking to unduly exploit positions of strength with regard to customers;
- [Respect the obligations undertaken towards customers;
- [Provide accurate, complete and truthful information.

To protect its customers, the Group does not market as local produce food substances that are not.

Any complaints shall be treated as swiftly and as carefully as possible.

Legal actions must be brought and settlements and waivers must be decided with the favourable opinion of the Managing Director, in accordance with internal rules that may be adopted at the time and with internal practices. In any case, disputes must always be dealt with in such a way as to avoid situations in which the persons involved in the settlements may find themselves affected by a conflict of interest.

6.6 Relations with political organisations and trade unions

Participation in representation of the Group and payment, in its name, of any contributions to associations of any kind must be duly authorised by the Board of Directors in compliance with internal rules and/or practices in force at the time and may only be permitted with regard to organisations whose purposes and objectives are consistent with the Group's economic, industrial, ethical and behavioural values.

6.7 Relations with the media

Information concerning the Group and addressed to the mass media may only be disclosed by specially delegated corporate functions, in compliance with internal laws in force at the time for individual matters. If requested to provide information or give interviews, the Addressees must report the request to the specially delegated corporate function and receive special prior authorisation.

In any case, external communication of data or information must be truthful, transparent and complete, so as to provide a consistent view of the Group's image and the strategies it adopts, encouraging approval of corporate policies.

6.8 Combating organised crime and terrorism

The Group abstains from having any form of relationship, including those of an indirect nature or through a third party, with persons (natural persons or legal entities) that are known or suspected to be part of or to perform any form of support activity for any kind of criminal organisation, including mafia-type organisations and those involved in the trafficking in human beings or the exploitation of child labour, as well as persons or groups who carry out terrorist actions, meaning conduct that can cause serious damage to a country or to an international organisation, carried out in order to intimidate the population or force public authorities or an international organisation to perform or to abstain from performing any action or to destabilise or destroy the fundamental political, constitutional, economic and social structures of a country or of an international organisation.

6.9 Protection of trademarks, patents, know-how and combating counterfeiting of geographical indications or designation of origin of products

The Group strictly forbids any conduct of which the purpose is the alteration, counterfeiting, abusive use of national and foreign trademarks or distinctive signs and designs and models.

It also denounces any conduct of which the purpose is to introduce to the territory of the Italian State or of other states in which it operates industrial products with trademarks or other distinctive signs that have been altered or counterfeited, and the marketing of products with trademarks and distinctive signs that give misleading indications on the origin, source or quality of the product.

Similarly, the Group does not tolerate the manufacture, marketing, dissemination or simple use of items and goods made by usurping or breaching industrial property rights.

The protection of know-how is considered of primary importance and therefore any abusive dissemination, reproduction, use, sale, for any purpose, for any use and with any means is strictly forbidden.

The Group observes the rules of domestic laws, community regulations and international conventions on the protection of geographical indications and designation of origin of agro-food products. It also denounces any conduct of which the purpose is to counterfeit or alter geographical indications or designation of origin of products.

7. COMPETITION

The Group believes in free and fair competition and directs its actions towards obtaining competitive results that recompense expertise, experience and efficiency.

Any action that attempts to alter the conditions of fair competition is contrary to the Group's corporate policy and is forbidden to anyone acting on the Group's behalf.

Under no circumstances may pursuit of the Group's interest justify conduct on the part of top managers or collaborators that does not observe local and international laws in force and comply with the rules of this Code.

In all external communications, information concerning the Group and its activities must be true, clear and verifiable.

8. ACCOUNTING DATA

8.1 General principles

The strictest accounting transparency is, at all times and in any circumstances, a top priority of the Group. In the preparation and keeping of accounting documents and data and in general of any administration-related registration, the Addressees must abide by the strictest principles of transparency, accuracy and truthfulness.

8.2 Financial resources

The procurement and disbursement of financial resources and their administration and control must also comply with local and international legislation, as well as with the internal rules and/or practices concerning approval and authorisation provided for the Group.

8.3 Bookkeeping

Each accounting entry must accurately reflect the event described in the supporting documentation, which must be complete and verifiable.

Bookkeeping is based on generally accepted accounting principles and systematically records the events arising from management of the Group. For each accounting entry reflecting a corporate transaction, suitable supporting documentation must be retained by the administration division.

This documentation must allow identification of the reason for the transaction which generated the entry and its authorisation. The supporting documentation must be easy to trace and must be filed according to suitable criteria that allow easy consultation by both internal and external entities entrusted with control.

The Addressees are obliged to contribute to accurate and timely recording in the accounts of all management activities and to ensure that accounting events are represented in an accurate and timely way, so that the administrative-accounting system can achieve its purposes. The Addressees are obliged to promptly report to the Head of Function and, the latter to the competent Managing Director, both the existence of errors and omissions in the process for recording accounting events and conduct that is not in line with the provisions of this paragraph.

8.4 Relations with Statutory Auditors

The Group's relations with the Statutory Auditors are characterised by utmost diligence, professionalism, transparency, willingness and full respect of their institutional role, with precise and prompt execution of the provisions and obligations required.

Data and documents are provided in a precise manner and using clear, objective and comprehensive language in order to provide accurate, complete, faithful and truthful information, avoiding and if necessary reporting, in the most appropriate form and manner, any conflicts of interest.

8.5 Anti-Money Laundering

The Group carries on its business in full compliance with prevailing anti-money laundering laws and with the provisions issued by the competent authorities, also pledging to refuse to implement transactions that appear suspicious in terms of correctness and transparency.

Specific attention must be devoted to relations involving receipt or transfer of sums of money or other benefits. In order to prevent the risk of performing, even involuntarily or unconsciously, transactions of any kind concerning money, goods or other benefits gained through the perpetration of offences, the Group abstains from receiving for any reason payments in cash, bearer securities or payments through unauthorised intermediaries or third parties that prevent identification of the disbursing person, or from having relations with persons established or operating in states that do not guarantee corporate transparency and, more in general, from carrying out transactions that prevent the reconstruction of financial flows.

The Addressees are obliged to promptly report to the Supervisory Body – if appointed – or to the Managing Director any relations with third parties that are not in line with the provisions of this paragraph.

The Addressees are therefore obliged:

- [To first check the information available on commercial counterparties, Suppliers, Partners, Agents, Distributors, Collaborators and Consultants, in order to ascertain their respectability and the legitimacy of their activity before establishing business relations with them;
- [To avoid any involvement in transactions that could, even potentially, facilitate the laundering of money arising from unlawful or criminal activities, acting in full compliance with primary and secondary anti-money laundering laws and internal rules and/or practices on control;
- [Not to make payments to persons other than the contractual counterparty or to a state other than that of the parties and/or of execution of the contract.

9. CORPORATE ASSETS

It is not permitted for Employees to use corporate assets, excepting those expressly assigned as benefits by the Group, for their personal use or interest.

Under no circumstance is it permitted to use corporate assets and especially computer and network resources for personal purposes and for purposes that are contrary to mandatory provisions of the law, public order or morality, or to commit or to incite commission of offences or racial intolerance, instigation to violence or breach of human rights.

No Addressee is permitted to make recordings or audiovisual, electronic, paper or photographic reproductions of corporate documents, unless these activities are part of the ordinary performance of functions assigned.

9.1 Computer crimes

The Addressees are personally responsible for the security of computers and must prevent fraudulent or improper use and must not transfer their access privileges, not even to colleagues. The Addressees must also abide by the provisions set forth in the internal rules issued on the matter of computer security, including those established by the Security Policy Document drawn up by the Company.

Assets must be used exclusively for performance of corporate activities or for the purposes authorised by the heads of the corporate functions concerned. It is strictly forbidden to use corporate computers to view, access and in general to perform any activity that concerns child pornography websites.

It is strictly forbidden to engage in conduct that may in any way damage, alter, deteriorate or destroy computer or electronic systems and computer programmes and data of the Group or of third parties.

10. CONFIDENTIAL INFORMATION

It is strictly forbidden to disclose to third parties information that is not public knowledge on projects, acquisitions, mergers, business strategies, industrial processes, know-how, trade secrets and, more in general, information concerning the Group that has been acquired or to advise third parties, on the basis of said information, to execute any type of transaction on the financial markets.

It is forbidden to purchase, sell or carry out other financial and commercial transactions, including through third parties, in order to gain an advantage when these are based or encouraged by the possession of confidential information and of information that the Addressees have come to acquire through exercising their function within the Group.

Furthermore, the Addressees must not disclose to parties outside the Group any kind of information concerning the Group that is not public knowledge or of which dissemination may damage the Company's interests.

11. RESPECT FOR PRIVACY

The Addressees must handle personal data in strict respect for privacy, in accordance with any instructions issued to them by the competent corporate representatives.

The personal data processed by appointed Addressees only, must be:

- [Processed following lawful and proper standards;
- [Collected and recorded for specific, explicit and legitimate purposes and used in other processing operations in ways that are not incompatible with said purposes;
- [Accurate and updated;
- [Pertinent, complete and not superfluous with regard to the purposes for which it was collected and processed;
- [Preserved in such a way as to allow identification of the data subject for no longer than is necessary for the purposes for which it was collected and processed.

The appointed Addressees must take all the appropriate measures to avoid risks of destruction or loss, even accidental, of the aforesaid personal data, of unauthorised access to data, of processing that is not permitted or compliant with the purposes for which it was collected, as identified and periodically updated by the Group.

12. INDUSTRIAL SAFETY AND ENVIRONMENT

12.1 Industrial safety

The Group strives to maintain the highest standards of hygiene and safety and to guarantee all the necessary measures to prevent industrial accidents and illnesses.

All Employees must contribute to keeping their working environment safe and healthy.

Decisions concerning industrial health and safety, of any kind and level, are based on the following fundamental principles and criteria for prevention:

- [Avoiding risks;
- [Evaluating risks which cannot be avoided;
- [Reducing to a minimum risks in relation to skills acquired on the basis of technical progress;
- [Combating risks at source;
- [Observing ergonomic principles in organising work and adapting work to the individual especially as regards the design of work places, the choice of work equipment and the definition of working and production methods, with a view, in particular, to alleviating monotonous work and repetitive work and to reducing their effect on health;
- [Adapting to technical progress;
- [Substituting the dangerous by the non-dangerous or the less dangerous;
- [Providing workers with individual preventive and protective devices that are appropriate to the risks to be prevented, to the working conditions, and to the worker's requirements and needs;
- [Developing a coherent overall prevention policy which covers technology, organisation of work, working conditions, social relationships and the influence of factors related to the working environment;
- [Giving collective protective measures priority over individual protective measures;
- [Giving appropriate instruction to workers;
- [Guaranteeing workers' health surveillance;
- [Participating in consultations and periodic meetings on protection of industrial health and safety;
- [Providing adequate and sufficient information and training to workers and managers. Specific training must be provided when the employment relationship is established or when use begins in the case of temporary placement; at the time of transfer or change of duties, introduction of new working equipment or new technologies or new hazardous substances or products. Training shall be provided by experts and at the work place. Training of workers and their representatives must be periodically repeated with regard to the evolution

of risks and the appearance of new risks. The training contents must be easy for the workers to understand and must allow them to acquire the necessary skills and experience in industrial health and safety matters;

- [Developing suitable measures to guarantee ongoing improvement of safety levels, also by adopting best practices;
- [Providing for emergency measures to be implemented when it is necessary to provide first aid, to fight fire, to evacuate workers and in the event of serious and immediate danger;
- [Using warning and safety signals;
- [Regulating the maintenance of environments, equipment, plants, with specific regard for safety devices in compliance with the manufacturers' instructions.

Each activity carried out by the Group and by individual persons, whether at senior management levels, when decisions must be made, or at operating levels when they must be implemented, must be based on observance of these principles.

Furthermore, the workers are obliged to:

- [Ensure correct use of plant and machinery, individual protective equipment and safety devices;
- [Report any working situation that involves a serious and immediate danger, as well as any defect in the protection system;
- [Contribute to fulfilling health protection requirements in order to allow the employer to guarantee that the working environment and conditions are safe and risk-free;
- [Contribute, together with the employer, senior management and persons in charge, to fulfilling obligations established to protect industrial health and safety.

The Group ensures contractors are provided with information on the specific risks existing in the work environment and works with them to implement measures to prevent and protect against risks involved in the contracted activities.

12.2 Environment

The Group considers respect for the environment to be a fundamental value and therefore undertakes to operate in observance of applicable legislation, applying the best technologies available.

The Group manages its activities with respect for the environment and for public health. Its investment and business choices are based on environmental sustainability and it strives to achieve eco-friendly growth also by adopting specific production technologies and methods which – if sustainable in economic and operating terms – allow it to reduce the environmental impact of its activities.

The Group adopts production methods and technologies that reduce waste and preserve natural resources and endeavours to spread and consolidate among its collaborators a culture of environmental protection and prevention of pollution, developing risk awareness and encouraging responsible behaviour on the part of all its collaborators.

13. SUPERVISORY BODY

The duty of supervising the functioning and observance of this Code is entrusted to the Supervisory Body (also “SB”), if appointed pursuant to Italian legislation, or to the board of statutory auditors, if existing, or to the person responsible for control of each Group company.

Without prejudice to compliance with each form of protection provided by legislation or by collective agreements in force and without prejudice to legal obligations, the Supervisory Body, if appointed pursuant to Italian legislation, or the board of statutory auditors, if existing, or the person responsible for control of each Group company has the authority to receive requests for clarification, as well as reports of potential or actual breaches of this Code.

The SB, if appointed pursuant to Italian legislation, or the board of statutory auditors, if existing, or the person responsible for control of each Group company is obliged to maintain the strictness reserve and to operate with impartiality, authority, continuity, professionalism and autonomy, with wide discretion and with the full support of the top management of the respective Group company, with which it collaborates in full independence.

In order to guarantee the effectiveness of this Code, each Group company sets up information channels which can be used by all those who become aware of unlawful conduct implemented within Group companies to report freely, directly and in full confidentiality, to the Supervisory Body, if appointed pursuant to Italian legislation, or to the board of statutory auditors, if existing, or to the person responsible for control of each Group company.

Each Addressee of this Code is obliged to report, without delay, any conduct that does not comply with the principles of the Code of Ethics implemented by any Addressee as specified below in greater detail.

14. SANCTIONS FOR BREACH OF THE CODE

14.1 General principles

Observance of the rules contained in this Code must be considered an essential part of the contractual obligations established for Group employees, as well as for its Agents, Distributors, Partners, Consultants, Collaborators and all those who operate, both in Italy and abroad, in the name and on behalf of the Group and therefore become “Addressees” of this Code, with regard to the existing contractual relationship.

14.2 Supervisory Body and reporting

Without prejudice to compliance with each form of protection provided by legislation or by collective agreements in force and without prejudice to legal obligations, the Supervisory Body, if appointed pursuant to Italian legislation, or the board of statutory auditors, if existing, or the person responsible for control of each Group company has the authority to receive requests for clarification regarding this Code.

Each breach of the principles and provisions contained in this Code of Ethics by the Addressees must be promptly reported and addressed to the Supervisory Body, if appointed pursuant to Italian legislation, or to the board of statutory auditors, if existing, or to the person responsible for control of each Group company.

When reports are received, the Supervisory Body, if appointed pursuant to Italian legislation, or the board of statutory auditors, if existing, or the person responsible for control of each Group company shall carry out appropriate inquiries, possibly requesting the assistance of the competent corporate functions and shall inform the competent bodies of the disciplinary sanctions imposed.

All reports received by the Supervisory Body, if appointed pursuant to Italian legislation, or the board of statutory auditors, if existing, or the person responsible for control of each Group company shall be managed in strict confidentiality, failing which the members’ mandate shall be revoked.

Those reporting in good faith must be guaranteed against any form of retaliation, discrimination, penalisation and in any case the identity of the reporting person shall remain confidential, without prejudice to: i) legal obligations and protection of the rights of the Group or of persons accused erroneously or in bad faith; ii) requirements associated with fulfilment of the duties of the Body, the Statutory Auditor, if existing, or of the person responsible for control of each Group company.

14.3 Sanctions

Acting through the specially empowered bodies and functions, and in a consistent, impartial and uniform manner, the Group shall impose sanctions proportionate to the respective breaches of the Code and compliant with applicable provisions governing employment relations.

Sanctions for Group Employees shall be consistent with the measures indicated in the National Collective Labour Agreement (hereinafter NCLA) applicable to each Group company and set out in the contract, as well as those indicated in the Organisation, Management and Control Model of each Group company.

Breaches committed by Addressees who are not employees shall be promptly communicated in writing to the Supervisory Body, if appointed pursuant to Italian legislation, or the board of statutory auditors, if existing, or the person responsible for control of each Group company by whoever learns of them.

These breaches shall be punished by the competent bodies on the basis of internal corporate rules and according to the provisions of the appropriate contractual clauses.