



LP DRILLING
SAFETY - EFFICIENCY - COMMITMENT

**Administrative Responsibility Management System
(Organisation, Management and Control Model pursuant to Italian
Legislative Decree D.Lgs. 231/01)**

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CODE OF ETHICS

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CODE OF ETHICS

pursuant to D.Lgs. 231/01




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1. INTRODUCTION

1.1 Objectives of the Code of Ethics

This Code of Ethics is an Appendix of the Administrative Responsibility Management System, and represents the Administrative Responsibility Policy of the same.

But *our Organisation* adopts this Code of Ethics, primarily as a **charter of rights and moral duties**, in a perspective of social responsibility, to which all the members of the Organisation without exception (managers, employees, consultants, partners, suppliers) should aspire both in their internal and external relationships and for the achievement of the Group's Mission.

This Code of Ethics is, therefore, to be considered first and foremost as a useful tool for preserving the value and integrity of the company over the course of time. It is a set of positive principles and rules of conduct which our Organisation has chosen to adopt voluntarily and render public as a concrete expression of its intentions towards its stakeholders.


The Code of Ethics does not only describe what the members of the Organisation may or may not do; its purpose is also to allocate the resources required to deal with given situations in the work environment.

In-depth knowledge of the Code of Ethics is, therefore, a duty, in the same way that applying it is a duty. The reputation and success of the company are the fruit of the attention of one and all, working together.

1.2 Scope

The provisions contained in the Code of Ethics, just as the provisions contained in the entire Administrative Responsibility Management System (SGRA) apply to all employees without exception, to all those who directly or indirectly establish relationships with our Organisation, whether it be on a permanent or a temporary basis, to directors, collaborators, consultants, agents, attorneys-in-fact and anyone else operating in the name and on behalf of our Organisation.

Irrespective of their position or status, employees are responsible for their own actions in compliance with this Code of Ethics, the Group's policies and the national and international regulations in force.

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This Code is distributed to each member of the Board of Directors and to the Board of Auditors, as well as to all those who are mentioned in it and who, generally speaking, have relations with our Organisation.

The code of ethics is subject to amendments and additions on the basis of changes external and/or internal to the Organisation.

1.3 Reciprocity

In external relations and dealings, our Organisation requests that third parties treat it with similar ethical behaviour.

It is prohibited for employees, irrespective of position or status, to cooperate with third parties for the purpose of implementing actions which they, as employees, would be forbidden from carrying out directly.


1.4 Subsidiaries, associated companies, Temporary Joint Ventures/Consortia

Our Organisation demands that the provisions contained in this Code of Ethics be observed also and especially by subsidiary and/or associated organisations and/or by Temporary Joint Ventures/Consortia. It also demands that associated companies formally adopt an Organisation, Management and Control Model pursuant to D.Lgs 231/01 in line with that adopted by our Organisation.

In order to provide support and supervise the implementation of the above, it organises Information/Training campaigns and periodical Audits.

1.4 Validity

This Code of Ethics enters into force on the date of adoption of the SGRA resolved by the Board of Directors and has an unlimited duration, without prejudice to any revisions that might emerge from the annual Management Review activities. On its first issue, it is also ratified by the Shareholders' Meeting.

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Any amendments and/or additions require the approval of the Board of Directors, which has been specifically authorised to do so by the Shareholders' Meeting.


1.5 Standards, documents and Legal References

- Articles 2103, 2106, 2118, 2119 of the Italian Civil Code;
- Art. 7 of Law No. 300/1970 – Workers’ Statute;
- Law No. 604/1966 on individual dismissals;
- Collective Labour Contracts applicable to the Workers of the Industry and/or Sector;
- *Legislative Decree No. 196 of 30 June 2003 – “Italian personal data protection code” (consolidated law on Privacy) and subsequent updates;*
- Legislative Decree No. 231 of 8 June 2001 - “Administrative responsibility of Organisations” and subsequent amendments and/or additions;
- Legislative Decree 81/08 – Occupational Health and Safety;
- Legislative Decree 152/06 – Consolidated Law on the Environment;
- Italian Legislative Decree No. 231/07;
- Articles of Association and Internal Regulations;
- Confindustria Guidelines;
- Quality, Safety & Environmental Management System;
- Administrative Responsibility Management System.

2. CODE OF CONDUCT

2.1 Legality and Values

Our Organisation adopts the Values presented in this Code of Ethics, which are expressed in a series of corporate Procedures and Instructions based on Good Management Practices. These values are

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often referred to in corporate communications and activities in order to underline a common concept that must be shared throughout the organisation. Conduct in the daily activities of the company must be consistent with these values.

LEGALITY: this is the “keystone” that sustains the entire Organisation. Compliance with the law is vital not only in Italy but also in any other countries in which the Organization might operate. So a violation of this principle cannot be justified under any circumstances, not even if committed in the name of the Organisation's interests or for its advantage. Since the contents of national legislations may differ from one another, our Organisation intends, in any case, to acknowledge a number of fundamental ethical principles, which are shared at an international level.

In particular, it acknowledges and undertakes to comply with the ten principles of the Global Compact, the highest values that the United Nations recommend to enterprises, as a synthesis of the most important documents shared at an international level on the subject of human rights and labour rights, environmental protection and the fight against corruption¹. It also refuses to engage with parties involved in illegal activities or financed by capital deriving from illegal sources.

RESPECT: this is a very wide and very salient issue because it involves the individual, both in the personal/private and professional spheres and also, more in general, because it distinguishes the company's attitude with regard to the commitments undertaken with its stakeholders. In terms of relations inside the company, respect means, first and foremost, the protection of the physical and moral integrity of the personnel and its advancement as a key resource for competitiveness and success. As regards relations external to the company, it means maintaining professional relationships with customers and suppliers, but also listening to the other stakeholders – such as territorial institutions, for example, or the media – as parties to be considered, informed and involved.

¹ The Global Compact is an International initiative that promotes ten universal principles in the areas of human rights, labour, the environment and anti-corruption, which has brought together enterprises, United Nations agencies, trade unions and civil society organisations. They are universally shared inasmuch as they derive from: The Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work; the Rio Declaration on Environment and Development; the United Nations Convention against Corruption. The ten UN Global Compact principles are listed in their entirety in the Appendix to this Code.

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Last but not least, it means operating in an environmentally friendly manner, in the interests of one and all.

IMPARTIALITY: the avoidance of any kind of discrimination based on age, state of health, race, political opinions religious or other beliefs. This applies to all aspects of the Organisation’s decisions, including the use of its Human Resources and access to recruitment and employment, development, promotion, training and remuneration.


FLEXIBILITY: this is the capacity to tackle problems without being conditioned either by frames of reference or preconceptions, succeeding in putting together all the information available in the search for the best solution.

EXPERIENCE/COMPETENCE: this provides a reference point in terms of experience/competence and relational methods for customers, partners and colleagues.

PRO-ACTIVE COMMITMENT: this is the capacity to proceed in an independent manner even in the face of vague undetailed instructions within the sphere of the powers delegated and within the limits of the principles dictated by this Code of Ethics and by national and International legislation. To seize and develop the opportunities arising in the reference context so as to be able to act before the event rather than just reacting after it.

VITALITY: this is the capacity to guarantee constant, ongoing commitment even in new/unusual or difficult situations.

INTEGRITY AND TRANSPARENCY: this involves giving the example of a strong focus on integrity, by spreading honesty and ethics, with consistency of action and conduct, to all corporate personnel. In particular, transparency of action, communication and information is of central importance in

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conveying a sense of reliability to internal and external stakeholders. This covers the sphere of corporate management, which must be clear and verifiable, and it concerns the communication of information on the company to the outside. In addition to following the set procedures at all times, communication must be simple, comprehensible, timely and truthful and - if rendered public - easily accessible to all concerned.

2.2 General operational criteria


In order to guarantee maximum transparency and efficiency in its work, our Organisation operates in compliance with the following criteria:

- clear, formalised **allocation of powers and responsibilities**, consistent with the duties assigned;
- the **separation of functions**, so that the authorisation to carry out a given operation must be under a different area of responsibility from that of the function that actually records, executes or checks the operation (if checking is carried out by one party only). This principle should, in any case, enable the efficient management of corporate activities;
- the **definition of a code of conduct** that will guarantee the management of company activities in compliance with the laws, regulations, and without compromising the company assets;
- the **provision of regulatory documentation** for each of the company's activities, expressed in proxies, powers and powers of attorney, procedures;
- **traceability of transactions** (connected with both operational and control activities), for the purpose of guaranteeing that each operation, transaction and/or action is verifiable, documented, consistent and appropriate.

3. GENERAL PRINCIPLES

3.1 Confidentiality

All the information in the possession of the Organisation, except where required by law, may not be used for purposes other than institutional purposes. Special attention should be paid to the personal data and information of employees, customers and collaborators (Privacy Code). Use of corporate

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information of relevance outside of the company may only be made by figures expressly authorised to do so.

The corporate security policies and procedures include further requirements for safeguarding information and computer systems. The employees must be aware of these requirements and comply with them.

3.2 Loyalty


Our Organisation expects loyal and diligent conduct from all employees and compliance with the employment contract and corporate provisions. All-round cooperation is in fact fundamental to the company's positive performance.

Firstly, this means pursuing with commitment, timeliness and diligence the objectives set by the Organisation and by direct superiors, working in accordance with the procedures. This implies compliance with the Code of Ethics and, for those with management responsibilities over others, ensuring compliance with the Code from co-workers and providing them with assistance in its application.

It also means protecting the company's interests in all working situations, such as for example, ensuring that suppliers fulfil their contractual commitments towards the Organisation.

Correct and loyal conduct towards the Organisation also implies the commitment to guarantee the protection and proper use of corporate assets, which is expected from all employees and all those who have access to corporate structures:

- by behaving responsible and in line with the operating procedures governing their use and scrupulously documenting said use;
- by preventing them from being used improperly or in such a way as to cause damage to property or the health of persons, impair efficiency, or compromise the interests of the company;
- by implementing the most appropriate measures to prevent theft (reporting in a timely manner to the direct superior or function in charge of security) and control any shortcomings in the

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security system, as well as any threats to, or potentially damaging events for, the Organisation;


- by not divulging information concerning the Organisation’s business outside of the same. In particular, this means not allowing confidential information (either about the Organisation, or in the possession of the Organisation) to be acquired by persons external to the Company or by persons other than those authorised to process it;
- by scrupulously implementing the provisions laid down in the corporate security policies, so as not to jeopardise the operation and protection of the computer systems;
- by refraining from sending threatening or abusive email messages, refraining from the use of coarse language, and from making inappropriate comments that could cause personal offence or damage the company’s image;
- by refraining from visiting internet sites with indecent and offensive contents or that advocate terrorism at any level and in any way;
- in general, by not using the company’s computer systems for illegal purposes or for purposes that could in any way compromise their good working order for corporate use.

3.3 Conflicts of interest

The term “conflict of interest” refers to a situation in which a member of the Organisation (at any hierarchical level), due to interests or activities that could generate immediate or later advantages for him/herself, or his/her family members or acquaintances, acts in contrast with the ethical precepts and/or is conditioned in his/her capacity to operate in the exclusive interests of the Organisation.

By way of non-limiting example, the following situations could create a conflict of interests:

- holding a top management position (CEO, director, function manager) while having economic interests with suppliers, customers or competitors (shareholdings, professional appointments etc.);
- having responsibility for procurement, or control over the execution of supplies, and performing working activities for suppliers;

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- taking advantage personally – or through relatives – of business opportunities of which knowledge has been gained through the position held in the Organisation;
- accepting cash, gifts (valuable objects, trips, various types of free gifts) or favours (e.g. recruitment or career advancement for family members) from people or companies that have or intend to enter into business relationships with our Organisation.


All those, at every level, who have direct or indirect relations with our Organisation must avoid actions and activities that could lead to conflicts of interest and, in any case, it is compulsory to inform the Organisation of the presence or arising of any form of conflict of interest, whether it be real or potential.

A conflict of interest appears evident when the personal interests or activities of an employee could induce other people to nurture doubts regarding his/her objectivity or impartiality. All real or apparent conflicts of interest must be reported to the Supervisory Body.

Above and beyond the various types of conflicts of interests, the following general rules apply:

- With regard to the particular case of free gifts or any other form of gift, some of these may form part of standard commercial practices or courtesy, while others overstep this limit and may be given with the aim of acquiring preferential treatment in business affairs. Our Organisation asks its employees to refuse any free gifts that exceed a modest value or where there is doubt over their appropriateness.
- The presence of first degree relatives employed by suppliers, customers, competitors or sector authorities must be brought to the attention of the Organisation when their activities or function could have repercussions on the Organisation. Directors, on the other hand, shall keep the Organisation updated on their appointments.

In line with the principles of this Code of Ethics, in order to safeguard against behaviour intended to corrupt or interpretable as such, our Organisation has established standards of conduct with regard to

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gifts made to external parties. As a general rule, gifts must be made exclusively to promote the company's image. For this reason:

- no forms of gifts are permitted (even in the form of a promise) that might even only be interpreted as being in excess of standard commercial practices or courtesy, or in any case given with the aim of gaining preferential treatment in the conducting of any kind of activity. In particular, it is strictly forbidden to give any kind of gift to Italian or foreign public officials, auditors, directors of the Organisation or its subsidiaries, statutory auditors, members of the Odv or their relatives, that might lead to the gaining or guaranteeing of any kind of advantage;
- no valuable gifts are permitted (even in the form of a promise), not even in countries in which this type of exchange is customary practice between business partners.


In any case, our Organisation abstains from any kind of practice contrary to the Law and standard commercial practices or forbidden by the Code of Ethics – if known – of the companies or bodies with which it has business relations.

3.4 Improper Payments

Anyone operating in the name and on behalf of our Organisation is forbidden to offer, make, receive or promise improper payments to anyone whatsoever, for any reason whatsoever, especially to Public Administration officials or Customers (or potential customers) in the private sector.

Improper payments are not limited to payments in cash or currency. Improper payments could also include anything of sufficient value (trips, gifts, etc.) that could be interpreted as a means of influencing the decision of the person acting on behalf of the customer or the supplier. Improper payments violate the policies and values of the Organisation.

The offering of money to the personnel of the Organisation or the employees of customers, suppliers or third parties is an offence punishable by law. In order to establish whether a payment or gift is improper, employees can consult their own direct superior and/or the Supervisory Body.

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3.5 Health Safety and Environment

Our Organisation undertakes to guarantee safe and healthy workplaces and to manifest solidarity and responsibility towards the environment. Our guiding principle is compliance with all the laws and regulations concerning the environment, safety and health. On company production sites it is compulsory to operate in compliance with environmental laws, with the required permits, controls and approvals.

The Company undertakes moreover to create a safe and healthy environment for its employees. In support of this policy, each Recipient is bound to comply with all the safety regulations and procedures. It is compulsory for employees to communicate in a timely manner to the Prevention and Protection Service Manager (RSPP) and to the QHSE Manager any potentially hazardous situations that may have arisen as well as any deviation from the procedures implemented and distributed.

The principles and criteria on which our Occupational Health and Safety Management System is based are as follows:

- a) to avoid hazardous situations;
- b) to assess any risks that cannot be eliminated;
- c) to combat the risks at the source;
- d) to adapt the work to the individual especially with regard to the design of workstations and the choice of equipment, work and production methods, in particular in order to render the work less monotonous and repetitive and to reduce the effects on health of this type of work;
- e) to keep abreast of technical developments;
- f) to replace any elements that are dangerous with other elements that are not dangerous or less dangerous;
- g) to plan prevention, aiming at a coherent whole that incorporates technical aspects, organisation of work, working conditions, social relations and the effect of factors relating to the work environment;
- h) to give priority to collective protection measures over personal protection measures;
- i) to guarantee the monitoring of organisational environmental impacts, seeking to maintain, and where possible reduce, the levels of the same.

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i) to provide workers with clear instructions.

These principles are used by the Organisation to take the measures necessary for the protection of the environment and the health and safety of the workers – including activities designed to prevent occupational risks – for guaranteeing proper information and training, as well as for the preparation of an organisation and the means required.

The designated managers ensure that the preventive measures are duly observed by the resources that they coordinate. They do their utmost to ensure that workers remain attentive at all times during risky activities. They gather observations from their collaborators with a view to improving safety and protecting health. Under no circumstances whatsoever shall compliance with safety measures be subordinated to the need to finish work or to meet deadlines.


On their part, employees (or workers equivalent to the same) shall follow applicable safety instructions in a strict and conscientious manner, encouraging non-compliant colleagues to follow suit and reporting any shortcomings or areas for improvement to their superiors.

3.6 Accounting and Management Information

The Organisation's personnel shall create, maintain, amend and eliminate corporate documents strictly in compliance with the policies of the *SGRA*. Employees are responsible for guaranteeing the integrity of all the documents they help to create and maintain, including invoices and financial documentation. It is prohibited to enter false or misleading information in the company books or to establish and/or maintain corporate accounts that are not registered in the accounting ledgers and in the company business records.

3.6.1 Financial Records

Accounting transparency and book-keeping based on the principles of truth, completeness, clarity, precision, accuracy and compliance with the legislation in force are fundamental prerequisites for efficient control.

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The Organisation undertakes to train its executives, employees and collaborators so as to be able to constantly guarantee truthful, complete and timely information – both internally and externally to the Organisation itself – in relation to each operation or transaction.

Each operation and/or transaction must be correctly recorded and authorised as well as being verifiable, legitimate, consistent and appropriate.

Each operation must be backed up by appropriate documentation so that the checks attesting to its characteristics and motivations can be duly performed, identifying the parties who authorised, performed, recorded and verified it.

To ensure that the accounting responds to the principles of truth, completeness and transparency, appropriate and complete supporting documentation of the activities carried out must be kept in the Organisation's records in order to guarantee:


- the precise identification and recording of each operation in the accounts;
- the immediate determination of the characteristics and motivations underlying the same;
- the formal and chronological traceability of the operation;
- the verification of the decision, authorisation and implementation processes, as well as the identification of the various levels of responsibility and control.

Any employees and collaborators – the latter in accordance with the scope of their brief – who become aware of any omissions, falsifications, or negligence in the Company's accounting system or in the supporting documentation, are bound to report it without delay to the CEO or, in the event of a conflict, to the OdV.

3.6.2 Accuracy and conservation of company documentation

Any of the Organisation's personnel who may be involved in accounting processes and/or management of financial resources is obliged to document and report all the commercial information in a truthful and accurate manner.

No employee or collaborator may make payments in the interests or on behalf of the Organisation in absence of proper supporting documentation and formal authorisation from the Management.

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The financial documentation must faithfully reflect the management events of the Organisation and must be drawn up in compliance with the criteria established by the law and with the applicable, generally accepted accounting principles. The deliberate concealment or withholding of the real nature of any corporate event recorded in the accounting ledgers and/or failure to report it is strictly prohibited; this also applies to the concealment or withholding of any other documentation belonging to the Organisation that could affect the representation of the economic situation of the same. It is strictly prohibited to set up and /or keep hidden funds and reserves.

3.6.3 Anti-Money Laundering


The Organisation undertakes to comply with all the regulations and provisions, both national and international, designed to combat money laundering.

Any executives, employees, collaborators and third parties involved in relations with the Organisation must not in any way whatsoever or under any circumstances run the risk of being implicated in affairs of money laundering connected with illegal or criminal activities. To this end, cash payments are strictly forbidden within the Organisation with the exception of those for modest sums connected with normal everyday activities.

3.7 Repudiation of all forms of terrorism and subversion of the democratic order

The Organisation repudiates all forms of terrorism and intends to adopt, within the context of its own activities, suitable measures to safeguard against the danger of being involved in terrorism, so as to contribute to the affirmation of democracy and peace between peoples. To this end, the Organisation undertakes not to establish any working or trade relationships with parties, natural or legal persons alike, involved in terrorism, and not to finance, or in any way facilitate, any aspects of the same.

In particular, it verifies the presence or otherwise of the person in question on the List of parties connected with Terrorism published in the Financial Intelligence Unit section of the website of Banca d'Italia <http://www.bancaditalia.it/UIF/terrorismo/liste>

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3.8 Use of computer systems

Each Recipient is responsible for the security of the systems used and is subject to the regulatory provisions in force and to the conditions of the licence contracts. Without prejudice to the provisions of civil and criminal laws, the improper use of corporate equipment and resources includes the use of internet connections for purposes other than that required by the employment relationship established with the Organisation, or in order to send offensive messages that could either damage the image of the Organisation itself or, in any case, interfere with work activities. It is also prohibited to use the computer resources of the organisation to access the IT systems of other parties with the intention of stealing information, damaging or disrupting the systems themselves, or appropriating codes required for the operation of the IT systems in question.

Recipients shall do their utmost to prevent crimes from being committed through the use of IT tools. The Recipients may only use the IT tools and authorisations supplied exclusively by the competent functions.

3.9 Fighting organised crime

In the conducting of corporate activities, it is prohibited to take advantage, in any way whatsoever, of local situations of submission and control that could generate unfair negotiating conditions.


It is prohibited to maintain relations for any reason whatsoever with parties known to belong to or be “close” to Mafia-type associations and/or organised crime in general.

4. RELATIONS WITH STAKEHOLDERS

4.1 Shareholders

The corporate structure must be an essential reference point for the management, for the development and growth of the company assets and for the remuneration of share capital.

Our Organisation shall maintain a profile based on maximum correctness, transparency, impartiality and fairness in relations with its shareholders.

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The Board of Directors:

- guarantees that all personnel involved in the drafting of the financial statements of the Company and its subsidiaries carry out their tasks scrupulously checking the data processed, cooperating to the full with all of the functions, reporting any conflicts of interest and providing clear and complete information;
- does not undertake any action that could impede or obstruct the conducting of the checking and/or review activities which are the responsibility of shareholders, other corporate bodies, the Board of Auditors, the Auditing Company and the Supervisory Body;
- prevents any of its members from acting in such a way as to influence the behaviour of the shareholders' meeting in an attempt to gain a personal advantage;
- guarantees that all the information supplied to the Authorities is truthful, transparent and complete;
- prevents directors, or their representatives, from purchasing or underwriting stocks and shares belonging to the Company and/or its subsidiaries that could cause damage to the company share capital or the reserves not distributable by law;
- does not carry out share capital reduction, merger or demerger operations that could cause damage to creditors of the Organisation and/or its subsidiaries.


4.2 Human resources

The Organisation considers **Human Resources** as a strategic and indispensable asset for the pursuit of its objectives.


So for each employee, compliance with the regulations of the Code of Ethics is a contractual obligation.

In order to protect and increase the value of the human assets, our Organisation undertakes:

- to ensure that all the workplaces are kept in appropriate and ideal conditions for the performing of the work activities and that the equipment provided for the use of the employees is suitable and in good working order;
- not to hire personnel that could lead to the emergence of conflicts of interest;

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- to offer equal opportunities for the development and growth of the professional functions on the basis of merit and competence; the Organisation undertakes, in particular, to avoid all forms of discrimination based on age, gender, sexual preference, health, race, nationality, political opinions and religious beliefs;
- to remove the physical barriers that prejudice the work opportunities or capacities of disabled people;
- to prevent systematic discrimination, humiliation, psychological violence or isolation against collaborators and colleagues, for any reason whatsoever, as it is an affront to human dignity;
- to avoid and not to tolerate sexual harassment or sexually orientated behaviour or comments that may offend personal sensitivities (for example, displaying images with explicit sexual references, persistent and continuous allusions);
- to guarantee the privacy of individual employees by adopting policies that specify the information required and the relative procedures for data processing and conservation.. Such policies also prohibit, without prejudice to the circumstances provided by the law, the disclosure/circulation of personal data without the consent of the party concerned;
- to respect the workers' right to set up representative associations, acknowledging the role of the most representative trade union organisations and being open to dialogue and discussion on the major issues of mutual interest;
- to associate economic rewards not only with quantitative results but also with observance of the laws, rules and regulations of this Code;
- to programme and develop professional growth, an ethical conscience and corporate social responsibility through appropriate training;
- to provide new employees with clear and accurate information on the function or the duties to be performed, and on legal and salary conditions, and request their compliance with the principles contained in the code of ethics;
- to implement an internal system for monitoring and assessing the results obtained in a perspective of continual improvement.

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4.3 Customers


Our Customers are an integral part of the corporate assets. In order to consolidate their loyalty and respect, all relations must be based on the criteria of loyalty, cooperation, transparency and professionalism. Employees are expected to improve their professional skills continually with all the means available in order to provide responses that meet the requirements of the recipients involved, providing any assistance needed to promote shared and informed choices, without overriding the opinions of others.

In order to safeguard corporate trustworthiness and prestige, our Organisation shall:

- set as its primary objective the complete satisfaction of the recipient of the service provided;
- create a solid relationship with the recipient, based on correctness and efficiency;
- maintain a professional, loyal and cooperative attitude towards the customer, who must be enabled to make knowledgeable and informed decisions;
- use clear and simple forms of communication, in accordance with the legislation in force, without having recourse to elusive and improper practices, so as not to overlook any element of relevance to the customer's understanding;
- maintain relations with parties demonstrating personal and commercial professionalism and trustworthiness;
- refrain from maintaining business relations with parties known or suspected to be involved in illegal activities, particularly those suspected of promoting terrorism in any way whatsoever;
- refuse any form of corruption, "recommendation" or "conditioning", both internal and external;
- maintain fair conduct in relations with its business partners and market competitors, e.g. in international tenders and auctions or in procedures for the awarding of contracts or concessions.

4.4 Suppliers

The relations of our Organisation with suppliers are founded on uniformity of treatment and the selection of the suppliers themselves, and the formulation of conditions for the purchase of goods and

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services is dictated by the values and principles of competitiveness, objectivity, correctness, impartiality, fairness, price, quality of the goods and services provided, guarantees of assistance and, last but not least, a clear and precise evaluation of the offer.

When drawing up contracts, our Organisation undertakes to provide the contracting party with clear and comprehensible indications of the conduct to be observed in all circumstances envisaged. It respects contractual agreements and commitments, including the terms and conditions of payment, in return for execution of assignments and works according to the procedures established by the parties.

Moreover, the contracts themselves include specific notes which, communicating the adoption by our Organisation of this Code of Ethics and, more specifically, of an Administrative Responsibility Management System, valid as an Organisation, Management and Control Model pursuant to article 6 of Legislative Decree 231/2001, also establish strict and precise termination clauses.


Under no circumstances will our company tolerate undue pressure from suppliers that could risk undermining the market's faith in our Organisation in relation to the transparency and strictness with which it applies the Law and its corporate procedures.

For the core goods categories, our Organisation adopts a suppliers' register for which qualification criteria are based on specific technical and financial requirements. The main prerequisites include availability of resources – including financial – organisational structures, design project capacities and resources, know-how, quality certification (e.g. ISO 9000) or safety certification (e.g. OHSAS 18001, UNI EN ISO 14001).

In any case, irrespective of the relevance of the business, all suppliers of our Organisation will be required to produce evidence attesting to compliance with the applicable legislation in force particularly on issues such as Labour Rights, Contributions, Occupational Safety and Environmental Protection.

With regard to occupational safety, our Organisation undertakes, as far as possible, to present an extremely detailed analysis of the risks connected with the execution of works for our company and of respective preventive safety measures, as laid down in Titles I and IV of Legislative Decree 81/08.

Our Organisation intends to enter into business relations only with parties that carry on lawful activities, financed by legitimately funded capital. To this end and wherever possible, it carries out a

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preventive check by demanding – even where not legally obliged – special anti-Mafia and anti-money laundering certifications and statements.


Should a supplier adopt conduct that does not comply with the general principles of this Code, further opportunities to work with our Organisation may be precluded.

Maximum transparency and ethical efficiency in the procurement process is obtained by strictly following the internal procurement procedures, which must include the following:

- assessment of whether it is appropriate to rotate staff in charge of procurement;
- limitation of the cases in which there is an overlap of roles between the unit requesting the supply and the unit stipulating the contract;
- traceability of the decisions taken;
- conservation of information as well as of official tender and contractual documentation for the periods established by the regulations in force;

In relation to their own functions, employees shall:

- scrupulously observe internal procedures relative to the selection and handling of relations with external collaborators, however named (collaborators, consultants, representatives, agents etc.);
- carefully select qualified persons and enterprises, distinguished by an excellent reputation and impeccable moral integrity;
- contact their direct superior without delay if they witness breaches of the Code of Ethics by collaborators of the Organisation; if this reporting is not followed up or if employees feel uncomfortable about reporting the event to their direct superior, they may report it to the Supervisory Board;
- expressly mention, in all contacts involving cooperation, however they may be named (collaboration, consulting etc.), the obligation to adhere to the principles of the Code of Ethics, punishing failure to comply with these principles with the potential faculty to terminate the contract.

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4.5 The Public Administration

The behaviour of the corporate bodies, personnel and collaborators of our Organisation towards Public Administration and the figures representing it shall be based on the maximum correctness and integrity.

It therefore disapproves of any form of conditioning of the decisions of the counterparty – irrespective of how it is expressed or implemented – geared to influence decisions in favour of the Organisation or to request or obtain preferential treatment. It is also prohibited to allow Public Administration personnel to subordinate decisions and actions in favour of the Organisation to forms of recognition of any kind.


Relations with Public Administration are kept with persons especially designated for this purpose. All the documentation summarising the procedures by means of which the Organisation has come into contact with the Public Administration offices is duly collected and stored.

Should any episodes of this type – or attempts in more or less explicit form – arise, the company employees are bound to report them promptly to their direct superior (and collaborators to their own reference person) and when circumstances so demand, or in serious cases, directly to the Supervisory Body.

At any event, in the course of business negotiations or relations, also of a commercial nature, with Public Administration, either in Italy or abroad, the *Organisation* undertakes:

- not to offer work and/or commercial opportunities to Public Administration personnel involved in the negotiations or in the relationship, or to their relatives or in-laws;
- not to offer free gifts or benefits of any kind whatsoever exceeding the modest value limits set by the company;
- not to seek or obtain confidential information that could compromise the integrity or reputation of the Organisation.

Acts of commercial courtesy, such as free gifts or hospitality, or any other form of benefit (even in the form of donations), are only permitted if of modest value and such as not to compromise the integrity and reputation of the parties, in compliance with customary business practices. In any case, these actions must always be authorised and properly documented and traceable, and they must not, under

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any circumstances, be interpretable, by an impartial third-party observer, as attempts to obtain undue favours and advantages.

4.6 Political organisations and trade unions

Relations with political organisations and trade unions are maintained, with maximum transparency and independence, by the Functions designated for this purpose.

It is prohibited to offer benefits or forms of recognition of any kind, either directly or indirectly, to parties, movements, committees, political organisations and trade unions, or to their representatives and candidates, that could be construed in any way as an intention, on the part of the company, to favour them.

Our Organisation does not finance political parties, their representatives or candidates, in Italy or abroad, and does not sponsor events that serve a purely political propaganda purpose. It also abstains from exerting any form of direct or indirect pressure on politicians (e.g. granting of corporate structures, accepting of recommendations for recruitments, consultation contracts).

4.7 Auditing company and Board of Auditors


Relations with the Auditing company and the Board of Auditors are based on the maximum cooperation, transparency and correctness, with a view to preventing any kind of corporate crime and operating in the common interest of representing and protecting the Organisation.

In particular, auditing and consulting activities are mutually exclusive. As a result, the auditor cannot act as a consultant for the Organisation, with the exception of the activities connected with the audit and the certification of management reporting.

4.8 Media issues

All communications by our Organisation to the outside world are truthful, clear, transparent and non instrumental, in accordance with corporate programmes and policies.

In any case, such communication is subject to the constraints of the Privacy law on the protection of personal data and may only be disclosed to expressly authorised persons.

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Employees attending meetings, conferences or public events shall do so in an exclusively personal capacity and, in any case, they shall not use the company name or logo, unless authorised to do so.

Any sponsoring activities and donations concerning themes connected with social issues, the environment, sport, entertainment and art are managed in accordance with specific corporate procedures.


Our Organisation does not dispense contributions to organisations with which a conflict of interest may arise. It is, however, permitted to cooperate, also on a financial level, with these organisations on specific projects if their purpose is associated with the Mission of the Organisation and the allocation of resources is clear and documentable.

4.9 Competition

Our Organisation refrains from comments and negative judgements on the competition, favouring a fair comparison of the quality and transparency of the products and services offered.

Anyone operating, either directly or indirectly, in the name or in the interests and/or to the advantage of our Organisation is bound to comply at all times with the above and, in particular shall undertake:

- not to use names or distinguishing features that could be confused with the names or distinguishing features used by others, and not to create servile imitations of the products of a competitor or another organisation in general, or – using any other means – to act in such a way as to create confusion with the products and activities of a competitor or another organisation in general;
- refrain from spreading news and comments on the products and activities of a competitor or another organisation in general, that could discredit the said competitor or organisation, and not to misappropriate the merits of a competitor or other organisation in general;
- not to take recourse, either directly or indirectly, to any other methods that are not consistent with the principles of professional correctness and that could damage the organisation of others;
- refrain from actions involving violence or threats, particularly against persons directly and/or

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indirectly connected with competing organisations or with other organisations in general.

4.10 Judicial Authorities

With regard to Judicial Authorities, our directors, executives, employees and anyone else having relations with our Organisation shall behave with the maximum cooperation, transparency and honesty.

No-one may use violence, offers or promises of money or other benefits to force anyone who has been called before the judicial authorities to make statements for use in criminal proceedings, not to make declarations or to make false declarations, when this person has the right to remain silent.

Any conduct in contrast with the above shall be reported immediately to Top Management or, if Top Management is involved, directly to the Supervisory Body.


5. PRINCIPLES FOR IMPLEMENTATION OF THE CODE OF ETHICS

5.1 Dissemination and understanding

Our Organisation wishes its Code of Ethics to be totally effective and for compliance with its contents to become a consolidated practice among its employees and stakeholders.

To this end:

- it undertakes to ensure timely circulation of the Code of Ethics to both internal and external stakeholders through specific communication activities, using the different procedures appropriate to the stakeholders (e.g. providing all collaborators with a copy of the Code, by publishing it on the website or in documents where it is deemed necessary, or through other targeted information or training initiatives);
- it undertakes, in particular, to specifically ensure that all employees and collaborators understand the Code of Ethics, that they are provided with any necessary clarification and that they consider the Code an integral part of the employment relationship, by implementing a training programme aimed at heightening awareness of principles and regulations contained and/or referred to in it;

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- it undertakes to regularly monitor Code compliance levels and keep stakeholders informed on maintenance of the commitments undertaken through the Code of Ethics.

5.2 Clarifications on interpretation and reporting breaches

In order to guarantee control over the implementation and updating of the Administrative Responsibility Management System / Organisation Model 231, our Organisation has set up a special board, expressly required by Legislative Decree 231/01, called the “Supervisory Body” (OdV).


The OdV reports to the *Board of Directors* and carries out all the support and training activities required for the conducting of the work of the body itself. Among its various activities (which are described in detail in the “By-laws of the OdV”), it:

- supervises compliance with the provisions of Organisation Model 231 and, specifically, of this Code of Ethics;
- receives reports on any illegal activities committed within the framework of the Organisation and duly informs the Board of Directors;
- promotes any changes in the crime prevention system, in the interests of keeping it properly updated;
- conducts internal auditing activities encouraging, wherever necessary, the implementation of the sanctions provided for.

Our Organisation undertakes to explain the system for reporting breaches and to specify the reference persons who will clarify the interpretation of the Code.

Our Organisation gives great importance to the principles listed in this Code so it demands of those vested with positions of responsibility even greater commitment in terms of compliance with the said principles, as well as support in ensuring that they are disseminated and understood at all levels.

With regard to breaches, it is compulsory to report within 48 hours any breaches, anomalies or unusual behaviour in the performance of normal activities, particularly concerning any conduct which may be contrary to the Code of Ethics or the provisions of the Administrative Responsibility

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Management System in general, as well as any other crime and/or breach of other regulations, provisions, applicable rules, including any contingent situations.

The reporting procedure is hierarchical, to direct superiors unless they are implicated in the reported breach. In this case, they shall report to the next superior in the hierarchy. The recipient of the report will assess its authenticity and inform Top Management and the OdV.

In the event of a conflict or if the direct superior does not act promptly, employees and collaborators have, in any case, the faculty to request interpretative clarifications, or report breaches directly to the company's 231 officer and/or to the OdV.

For other stakeholders, the reference person for clarification and reporting is the company 231 officer or, in the event of conflict, the OdV directly.

Details for contacting the reference figures (addresses, e-mail and telephone) are transmitted and updated through corporate communications.

Non-compliance with the requirement to report breaches constitutes a serious breach of the Disciplinary System.

Failure to respect the hierarchical reporting order will lead to the application of the Disciplinary System.


5.3 Updating

Our Organisation considers the Code of Ethics to be an effective tool if it faithfully reflects the company's policies and procedures and if it is kept up to date.

For this reason it undertakes to integrate the Code and/or review corporate procedures whenever required in order to clarify cases not envisaged by the current version, or better clarify those already contemplated, or adapt to new policies of any kind, by publishing specific communications on the same network as that used for normal dissemination activities and referred to above.

5.4 Disciplinary system

Concerning the Standards, Documents and Legal References to which this Code of Ethics refers (cf. 1.5), the Board of Directors provides for and defines the specific types of breaches of this Code and

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the disciplinary, legal or criminal sanctions to be applied, by drawing up a set of regulations called the “Disciplinary System” which is submitted for the approval of the Board of Directors and agreed with the workers’ representatives.

Additionally, the Board of Directors is responsible for updating the Disciplinary System following any changes in the mandatory standards.

5.5 Methods for managing financial resources

Pursuant to the provision laid down in art. 6 paragraph 2 letter c) of the Decree, the Organisation has determined methods for managing the appropriate financial resources and for preventing crime. The Organisation adopts financial resource management procedures based upon the following principles:

- traceability of financial flows, understood as the possibility to precisely reconstruct ex-post the decision-making and formal path from the point of departure (who paid) to the point of arrival (who was paid, using which means, how and where it was collected);
- description of the payment, identifying precisely the documentary evidence of the payment flow;
- the documentation of financial flows requires the recording of the:
 - form of payment (e.g. cash, bank transfer, etc.);
 - contents of the payment (identification of the person ordering the flow, sources the payment was taken from, recipient of the flow, description);
- assigning of persons required to archive the documentation concerning the payment flows.

APPENDIX 1 PRINCIPLES OF THE GLOBAL COMPACT

HUMAN RIGHTS

[Principle 1](#)


Businesses should support and respect the protection of internationally proclaimed human rights; and

[Principle 2](#)

make sure that they are not complicit in human rights abuses.

LABOUR

[Principle 3](#)

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Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

[Principle 4](#)

the elimination of all forms of forced and compulsory labour;

[Principle 5](#)

the effective abolition of child labour;

[Principle 6](#)

the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

[Principle 7](#)

Businesses should support a precautionary approach to environmental challenges; and;

[Principle 8](#)

undertake initiatives to promote greater environmental responsibility; and

[Principle 9](#)

encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

[Principle 10](#)

Businesses should work against corruption in all its forms, including extortion and bribery.