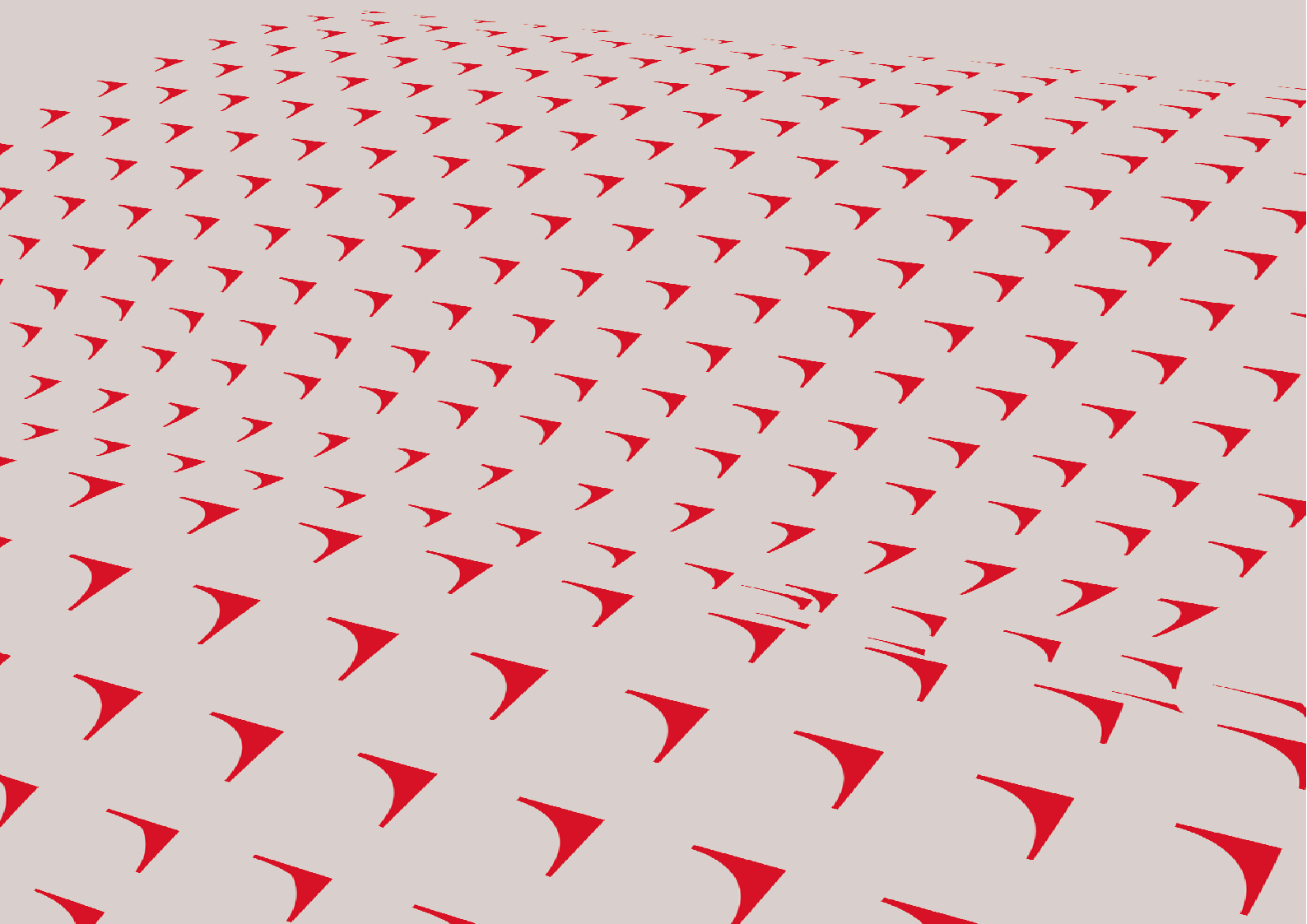




Code of Ethics

Update at 29.10.2018





CODE OF ETHICS

CIR GROUP

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1. Foreword

In order to define clearly and transparently all the values that the Group follows in the pursuit of its objectives, CIR S.p.A. and the Companies 100% controlled directly or indirectly by CIR S.p.A., (hereinafter referred to as the “CIR Group” or the “Group”) have drawn up this Code of Ethics, compliance with which is essential for the correct running, for the reliability, the reputation and the image of the Group. These factors are the cornerstone of the success and the present and future development of the enterprises managed by the Companies of the Group.

The activities of the Group must therefore comply with the principles expressed in this Code of Ethics.

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

2. Mission and ethical view

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

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

3. Scope of application of the Code

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

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

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

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



4. Principles and rules of reference

4.1 Correctness in the conduct of business

4.1.1 Compliance with the Law

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

4.1.2 Honesty and correctness

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

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

Under no circumstances can pursuit of the interests of the CIR Group be used to justify conduct that is not correct.

4.1.3 Impartiality and equal opportunities

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

4.1.4 Protection of intellectual property

The CIR Group undertakes to respect and protect the intellectual property of each individual. Therefore, the Group acts in accordance with international standards and local regulations in the countries in which it operates.

4.1.5 Confidentiality of information

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

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

On this subject, each employee and each consultant must:

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



4.1.6 Transparency and completeness of information

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

4.1.7 Transparency of accounting records

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

4.1.8 Fair competition

The CIR Group supports the principle of fair competition and refrains from any practice that restricts competition and from any conduct that is collusive or that constitutes abuse of a dominant position. The Group also undertakes to compete in the markets in which it operates in an unbiased and fair manner for antitrust purposes, respecting the rules of competition.

4.1.9 Prevention of conflict of interest

The Companies of the Group agree with the need to ensure a governance that is always based on the maximum visibility of decision-making processes. To this end, they believe that it is necessary to mandatorily extend the disclosure obligation of each director, towards the other directors and the Board of Statutory Auditors, regarding any interest that is within the scope of application of Art. 2391 of the Civil Code, to enable the Board of Directors to assess it adequately and solely in the interests of the Company. The Directors of the Group must therefore be inspired in their conduct by the duty to inform the Board of Directors of any interest or advantage that they or their family members could obtain from transactions put to the examination of the same Board of Directors.

The Directors of the Companies of the Group shall pay particular attention to the obligation to manage the companies subject to management and coordination in a fair and unbiased way.

The Companies of the Group shall endeavour to avoid situations in which the individuals involved in the transactions are or could appear to be in conflict with the interest of the same Companies. For example, which is not however exhaustive, the following situations involve conflict of interest:

- Employees or their staff or family members having a financial interest –whether obvious or undisclosed – in the activities of suppliers, clients or competitors;
- Using one's own professional position to further interests that are in contrast with those of the Company;
- Using information acquired during the course of one's working activity to one's own advantage or to the advantage of third parties against the interests of the Company;
- Carrying out any work of any kind (a job of work or professional services) for clients, suppliers, competitors and/or third parties in conflict with the interests of the Company.



4.1.10 *Combatting bribery and corruption*

The CIR Group undertakes to prevent any form of bribery, corruption or extortion and to oppose any acts of bribery. The companies of the Group must not, whether directly or indirectly, offer, promise, give or ask for money or any improper advantage from or on behalf of any Public Official, supplier, client, competitor or any other third party, with the intent to bribe or corrupt the same. Moreover, no individual may accept or offer gifts, meals or entertainment if this conduct could create the impression of influencing the business relationship inappropriately.

4.2 **Corporate Governance**

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

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

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

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

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

4.3 **Safeguarding human resources**

4.3.1 *Centrality of the individual*

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

The Group supports and respects human rights in accordance with the Universal Declaration of Human Rights of the UN² and the ILO Declaration on Fundamental Principles and Rights at Work³. It guarantees working conditions that respect the dignity of individuals and safe working environments. It does not

² The Universal Declaration of Human Rights, United Nations, 1948

³ The Declaration on Fundamental Principles and Rights at Work, ILO, 1998



tolerate requests or threats aimed at inducing people to act against the law or the Code of Ethics, or to adopt conduct that goes against the beliefs and moral or personal preferences of each individual.

4.3.2 Valuing human resources

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

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

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

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

4.4 External relations

4.4.1 Respect for clients

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

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

The employee or freelance worker must not give out any benefits in the form of money or in any other form to any individual in order to promote or favour the interests of the Company. The only exception regards gifts of little value given out at special events (festivities, conferences, etc.) in full compliance with current corporate procedures.

4.4.2 Respect for suppliers

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

The choice of suppliers and the determination of the conditions of purchase are based on an objective evaluation of the quality, price and the ability to deliver and guarantee services of an adequate level.

The Group undertakes to promote and divulge the principles set out in this Code of Ethics in its supply chain.

In particular, employees must not:

- Receive any form of payment from anyone for either fulfilling the duties of their position or for acting against the interest of their position;



- Submit to any kind of conditioning by third parties outside the Group, who have not been authorized by the Group, in order to take decisions and/or to carry out acts relating to their professional activity.

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

4.4.3 Respect for the community

The Companies of the Group are aware of the effects of their activities on economic and social development and on the general prosperity of the community in which they operate. Therefore, the Group is careful to align its interests and undertakes to carry out all its businesses while respecting the community at both local and national level.

The Group believes that dialogue with associations to which it belongs is of strategic importance for the correct development of its business and intends to cooperate with such associations respecting mutual interests.

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

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

4.4.4 Interaction with the Public Administration and Regulatory Authorities

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

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

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

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

Any employee who is offered either directly or indirectly any benefits or advantages by public officials, those responsible for a public service or in general by any employee of the Public Administration or any other Public Institution, must immediately inform the Supervisory Body of this fact and if the person



receiving such a proposal is a third party then he or she should inform his or her contact in the Company (for full details, see point 5).

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

4.5 Protection of the environment

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

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

5. Implementation procedures

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

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

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

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

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

When a breach of the Code of Ethics is proven, the Supervisory Body will report it with any recommendations and/or sanctions deemed necessary to the Executive Committee (if there is one) or to the Chief Executive Officer and in more serious cases the Board of Directors and the Board of Statutory Auditors.



Furthermore, CIR has formally approved an internal whistleblowing procedure to enable any employee to report an infringement or a suspected infringement of the law, of the Code of Ethics or of any other internal procedure/rule applicable within the Group, or any other action that could cause serious damage to the Company or to the public interest.

6. Sanctions

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

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

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

7. Final instructions

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