

ETHICAL CODE

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1			
2			
3			
4			

Guiding Principles and Values

Introduction

- 1. The validity and applicability of the Ethical Code and where it can be found**
- 2. Rules of conduct**
 - 2.1. Conforming to applicable legislation and company regulations and procedures**
 - 2.1.1. General regulations
 - 2.1.2. Legislative Decree 231/2001 and its subsequent amendments and additions
 - 2.1.3. Signature proxies
 - 2.2. Internal relations and conduct**
 - 2.2.1. Relations with the parent company
 - 2.2.2. Internal relations and protecting privacy
 - 2.2.3. Transparency
 - 2.2.4. General principles
 - a. Loyalty and conflicts of interest
 - b. Hiring partners or relatives
 - 2.2.5. Information and Confidential Information
 - 2.2.6. Company assets
 - a. Company property
 - b. Intellectual property
 - 2.2.7. Gifts
 - 2.3. External Relations**
 - 2.3.1. Relations with stakeholders
 - a. Community and social context
 - b. Customers
 - c. Suppliers
 - 2.3.2. Relations with the Public Administration
 - 2.3.3. Administrative management and corporate communications
- 3. Health and safety in the workplace and environmental policy**
- 4. Reporting irregularities**

Guiding Principles and Values

The rules of conduct contained in this Ethical Code are inspired by the Company's Corporate Mission.

Introduction

Within the framework of the guiding values set out in the Corporate Mission, this document, developed by MIDI EUROPE Srl, contains the rules of conduct that all company collaborators, at every level, are held to observe for the benefit of all people that come into contact with the Company, whether they are customers, suppliers, colleagues, shareholders, institutions, authorities or members of the community, etc.

The provisions set out in this Ethical Code aim to recommend, promote or forbid determined types of conduct, in accordance with applicable legislation in the country/countries in which the Company operates and/or may operate.

The Board of Directors, Chief Executive Officer and Heads of Department should actuate all the necessary measures to ensure full implementation of the rules of conduct contained in this Ethical Code.

1. The validity and applicability of the Ethical Code and where it can be found

The Ethical Code applies to the directors, department heads and employees of MIDI EUROPE Srl. The Company also strives to ensure that its customers, suppliers and external collaborators adopt an attitude inspired by the rules of conduct detailed here.

The Ethical Code should be brought to the attention of internal and external stakeholders in the most appropriate way, in accordance with local regulations and customs.

These methods of communication involve the delivery of this document (and its future updates) to all company employees, and the associated confirmation of receipt. This method is equivalent to publishing the Ethical Code on the IT system accessible to all staff, displaying it on notice boards and publishing it on the company server for sharing between staff with access to the system.

For external collaborators and all other stakeholders, the Ethical Code can be consulted on the company website.

The rules of conduct contained in this Ethical Code complement all other legal requirements, regulations and organisational standards valid within the Company.

2. Rules of conduct

2.1. Conforming to applicable legislation and company regulations and procedures

2.1.1. General regulations

MIDI EUROPE Srl, as a fundamental principle endeavours to comply with the laws, regulations and all other applicable rules in force in the Countries in which it operates.

Every Company employee is held to respect this basic principle, as they are held to strictly comply with all the internal rules, regulations and procedures issued by the Company and communicated to employees, in compliance with corporate practices.

Any ignorance, partial knowledge or doubts concerning the interpretation of the above principle - as with the internal rules, regulations and procedures themselves - in no way justifies any violation of the same, in that each employee is responsible for acquiring the required information in accordance with that detailed below.

In relations with third parties, Company employees must actuate every suitable behaviour aimed at preventing any violation of applicable regulations.

The company is responsible for the organisation and implementation of training activities aimed at promoting awareness of the company Ethical Code and instructing all employees on its application.

2.1.2. Legislative Decree no. 231/2001 and its subsequent amendments and additions. MIDI EUROPE Srl attributes primary importance to full compliance with the provisions set out in Legislative Decree no. 231 of the 8th June 2001 and its subsequent amendments and additions.

To this end, the Company has set out and adopted an "organizational, management and control model" in accordance with the provisions of Legislative Decree no. 231/2001.

The adoption of rules of conduct aimed at the prevention of crimes as set out in the above legislation is a fundamental element of the preventive control model the organisation must adopt in order to comply with the law, also for the purpose of defining areas of responsibility.

The internal monitoring departments and/or Supervisory Board are responsible for verifying that the envisaged preventive controls have been executed, via dedicated audits.

2.1.3. Signature proxies

Authorisation and signatory powers are assigned in accordance with organisational and managerial responsibilities; where required, they include a precise definition of the expense approval thresholds.

2.2. Internal relations and conduct

2.2.1. Relations with the companies in the Group

Relations with the other companies belonging to the group must be guided by maximum transparency and adherence to regulations applicable to the reference organisations. These relations must be coherent with the strategic guidelines set out by the parent Company.

2.2.2. Internal relations and protecting privacy

Relationships between colleagues that operate at any level within the Company, must be characterised by mutual respect, transparency, correctness and good faith, without discrimination based on gender, nationality, religion, habits and customs.

Relationships between colleagues in the work environment should aim to build a climate of reciprocal cordiality and professional collaboration, whilst also adhering to the rules and shared ethical principles. Managers in particular are expected to act as an example for all other collaborators in this respect.

Each manager should make the most of the human resources assigned to him and ensure, also by engaging the company functions responsible for this area, that work activities are carried out in a climate of motivation, participation and responsibility.

The obtainment of personal benefits in the workplace, cannot and should not derive from anything other than meritocratic policies.

The relationships between the different hierarchical levels within the company should be characterised by the correct and suitable assessment of performance and conduct.

The actuation of all the principles cited above is above all the responsibility of senior managers, who must implement all initiatives aimed at promoting, by cascade effect, the involvement of all employees in achieving the company mission and in performing their specific tasks, as well as identifying any non-compliant behaviour.

The right to privacy is an inalienable right for every collaborator and employee, and as such, must always be respected, in coherence with company regulations concerning the protection of intellectual property, know-how and company image.

The Company adopts every measure for protecting privacy envisaged by applicable legislation.

2.2.3. Transparency

Transparency is an essential value within the framework of the Company's principles and values.

MIDI EUROPE Srl, believes that transparency consists of its staff employing conduct and attitudes that aim to ensure:

- an objective awareness of events, as they really took place;
- an objective analysis of the consequences of an event and the different solutions possible for a given problem;
- complete coherence between facts and information;
- the involvement of supervisors, on a professional and hierarchical level, in the taking of decisions and divulgation of information;
- the pursuit of the Company's interests;
- the reconstruction, via suitable procedures and written acts, of the stages that led up to a determined decision and/or the divulgation of certain information.

Transparency also means that there is suitable support in document form for every operation, in order to be able to carry out checks, at any time, that attest to its characteristics and motivations and allow the identification of the persons that authorised, carried out, recorded and verified any given operation.

All Company employees must operate on the basis of complete transparency, both internally and externally, highlighting any deficiencies or omissions in their respective professional areas.

Any deficiencies or omissions should not be concealed or resolved outside of company procedures and practices. They should instead be highlighted and tackled together with superiors, in order to prevent the onset or continuation of situations posing a potential risk for the Company.

2.2.4. General principles

a) Loyalty and conflicts of interest

Every company employee, at every level, is held to maintain loyal and correct conduct towards the Company.

An effective or potential conflict of interest arises when an employee actuates an activity or conduct within or outside the Company that:

- could in any way prejudice the Company's interests;
- implicates the obtainment of direct or indirect benefits for himself, his family or third parties by using or abusing the Company's property, resources or know-how or the function held within the Organisation.

Effective or potential conflicts of interest should be declared with transparency by employees to their immediate superiors.

b) Hiring partners or relations

In principle, the Company does not consider the hiring of partners or relatives in itself to be in conflict with the provisions of the Ethical Code. It maintains, however, that the hiring of such resources must take place with transparency and that potential situations of conflict that could arise with respect to the need for autonomy and privacy of the various Company functions should be considered in advance.

This means that it is not compliant with Company policy to proceed with hiring new staff in the event of the existence of situations of conflict or in any case in situations not compliant with the above.

The head of Human Resources is delegated with the responsibility for checking for such situations during the selection process, both in terms of identifying relations, as well as verifying the potential compatibility of the inclusion of the same within the Company context.

If they are aware of any contact between their partners or relatives and the Company for the purposes of inclusion within the organisation, employees are required to check with their superiors that the existence of a family relationship has been correctly reported to Human Resources.

Any situations that do not comply with the provisions set out in this section of the Ethical Code should be promptly communicated to Human Resources and the Supervisory Board.

2.2.5. Information and Confidential Information

Information is defined as all data, documents, knowledge and notes of any type on any support, that refer to or that could be referred to the Company or its activities or its shareholders, directors, managers or employees.

Confidential information is defined as any information which, in addition to the definition above, cannot objectively be considered as belonging to the public domain.

By way of a non-exhaustive example, the following is considered as Confidential Information: know how, technological processes, sales, industrial and strategic plans, financial and strategic transactions, customer lists, supplier lists, lists of collaborators and associated financial-sales conditions; personal data concerning employees and collaborators.

As a general rule, all Information and Confidential Information should be accessible exclusively to employees or other subjects with specific authorisation, within the limits strictly required to perform the tasks and functions assigned to them.

These subjects are required to keep all Information and Confidential Information they are aware of or have access to as strictly confidential and to use said information exclusively for permitted Company purposes.

All employees must maintain the strictest confidentiality on all Information, even if it is not expressly defined as confidential, and on all Confidential Information whenever they become aware of the same without authorisation. In this last instance the employee should immediately report the situation to their immediate superior, and in any case, should actuate all possible actions to prevent the further divulgence of the information to third parties.

No Information or Confidential Information should be revealed to third parties by employees. Nor should it be used by employees or persons directly or indirectly connected to it for carrying out operations of a personal nature.

Any violation by employees of the principles set out above shall be considered as a serious breach of trust with respect to the Company.

2.2.6. Company assets

a) Company property

All tangible assets owned the Company, possessed by the Company or for which it has rights of use and that are placed at the disposal of employees for the purposes of carrying out their work (such as, for example: hardware equipment, software licenses, email addresses, telephone equipment, vehicles, machinery, equipment and instruments, etc.) form part of the Company assets and as such:

- can be used by each employee, only if specifically authorised;
- must be used correctly;
- must be suitably protected against theft, loss and damage caused by negligence or carelessness, etc.;
- any defects, failures and damage etc. must be promptly reported to the relevant bodies.

Unless expressly authorised, the assets described above should be used exclusively for work purposes and not for personal use, with the following strictly forbidden:

- use that procures benefits or profit for oneself or a third party;
- any use (with particular reference to IT tools and the Internet) for entertainment or other non-professional purposes, especially where this may prejudice the decorum and ethics of the Company and its employees;

- the duplication in any way and for any purpose of software products, unless specifically authorised.

b) Intellectual Property

The Company's exclusive Intellectual Property, over which it has the broadest right of use, is comprised of all technical information, know-how, patents, brands, discoveries, writings and anything else created by MIDI EUROPE Srl, and/or by its employees within the scope of their working activities at the Company or for the Company, in accordance with the applicable regulations in the Country of reference.

The Company may actuate every suitable initiative envisaged by the law to protect its Intellectual Property and to check that its employees, who are held to protect these resources and forbidden from using the same for personal gain or the gain of third parties, do not perform any act that may violate or damage in any way the Company's rights with respect to its Intellectual property.

2.2.7. Gifts

No form of gift is permitted that could be considered as excessive with respect to normal commercial practices or politeness, or that could be interpreted as being aimed at acquiring favourable treatment with regards to any activity that could be connected to the Company.

2.3. External Relations

2.3.1. Relations with stakeholders

a) Community and social context

Relations with the community and the social context within which the Company operates should be inspired by transparency, respect for regulations and environmental protection. MIDI EUROPE Srl, in the forms envisaged by applicable legislation, promotes the protection of the rights of people and workers, safety inside and outside of the workplace and the personal and professional growth of its employees. It does this via training events and initiatives aimed at enhancing and developing cultural, social and professional attitudes.

b) Customers

Relations with Customers should strive for excellence in terms of products, services and quality, in line with the principles and values detailed previously.

These relations should be based on principles of reciprocal transparency and respect for market and competition regulations, in addition to the other applicable regulations.

Sales policies should comply with applicable regulations and should be actuated on the basis of documentation that confirms the rights of both parties in a reciprocal fashion.

Sales incentives should be aligned with market practices and comply with the rules set out by the Company.

Negotiations with Customers should be carried out in accordance with principles of reciprocal commercial correctness, good faith and adherence to the commitments made.

c) Suppliers

Relations with Suppliers should be mainly aimed at obtaining the best performance at the lowest prices, in accordance with the specific nature of the supply and free negotiation with suppliers.

The selection of Suppliers and the negotiation of conditions for the purchase of goods and services on behalf of the Company must take place transparently and on the basis of the parameters of competition, objectivity, correctness, price, quality (of the product or service), warranties offered, and in any case considering the objective parameters of value creation for the Company.

Any pressure of any kind in the choice of Supplier should strictly be rejected and reported to your immediate superior.

It is not permitted for employees of any function or at any level to obtain any advantage for themselves or for third parties as a direct or indirect result of their relations with Suppliers.

2.3.2. Relations with the Public Administration

All relations with the Public Administration must be conducted in accordance with that set out in the Model of Organization, Management and Control as per Legislative Decree no. 231/2001 and subsequent supplements.

Relations with the Public Administration can only be managed by the company functions expressly delegated and authorised to do so.

Relations should be based on complete transparency, on full compliance with applicable regulations, on clarity and on concrete communication methods for the operations performed in order to avoid misinterpretations during the reconstruction of the procedures followed.

It is not permitted to offer money or gifts to managers, functionaries or employees of the Public Administration or their relatives, unless in compliance with the criteria set out in section 2.2.10. Gifts, and in any case in accordance with applicable regulations.

It is also forbidden to offer or accept any object, service or favour of value in order to obtain favourable treatment with regards to any relationship held with the Public Administration.

In addition to those envisaged by applicable regulations, any illicit payments made directly by the Company or its employees or any illicit payments made by persons acting on behalf of the Company, either in Italy or overseas, shall be considered as acts of corruption.

When any type of business negotiation, request or relationship with the Public Administration is underway, the personnel involved should not seek to inappropriately influence the decisions of their counterparts, including those of the functionaries that make decisions on behalf of the Public Administration.

In the specific instance of competing for a tender with the Public Administration, personnel must operate in accordance with the law and correct business practices.

In the event of the use of a consultant or other third party called upon to represent the Company in its relations with the Public Administration, the same directives that apply to Company employees should be applied to these subjects also.

It is in any case forbidden to call upon the services of a consultant or third party to manage the Company's relations with the Public Administration when this may create a conflict of interest.

During the course of business negotiations with the Public Administration, the following actions should not be carried out either directly or indirectly:

- examining or proposing commercial opportunities that may personally benefit employees of the Public Administration;
- offering or making gifts in any way;
- soliciting or obtaining confidential information that could compromise the integrity or the reputation of one or both parties.

Any effective or potential violation of the above committed by Company employees or third parties should be promptly reported to the relevant internal functions.

The Company does not contribute to the financing of political parties, committees, public organisations or political candidates.

2.3.3. Administrative management and corporate communications

Every activity involving administrative, financial or fiscal management, as well as all activities inherent to social communications envisaged by applicable regulations, should be carried out in full compliance with these regulations, by employees that have been suitably trained and on the basis of specific provisions set out by the Company.

In particular the activities detailed above should be organised in such a way as to avoid, under any circumstances, behaviour that could fall under the provisions of Legislative Decree 231/2001 and its subsequent supplements.

In addition, adequate administrative and accounting procedures should be put in place for the drawing up of the annual report.

3. Health and safety in the workplace and environmental policy

Respect for the collective and individual health and safety of employees and environmental protection is one of the Company's binding principles. The pursuit of this objective orients the Company's decisions as well as the individual conduct of all its employees. Company policies on this topic have found application in the adoption of the OHSAS 18001 management system.

The Company endeavours to achieve the following via two guiding principles: the application of the best technologies available and the involvement of all personnel via training activities that promote responsible behaviour in all those that operate within the Company.

The Company believes that the adoption of management systems compliant with the most common international regulations ensures good governance of these topics. In particular it maintains that:

- tasks, roles and responsibilities should be clearly identified within the Company structure;
- the integrated planning of the development stages of every single process should also aim to provide sustainable development and minimise all risks to workers;
- the effectiveness of the management system should be guaranteed by a systematic auditing process;
- the continuous evolution of the Company's attitude towards the topics of health and safety in the workplace and the environment should take account of stakeholders' input in addition to legal requirements.

4. Reporting irregularities

Every employee is held to adhere to that set out in this Ethical Code; the conduct and work activities of every employee should comply with the provisions set out in this Ethical Code; in the event of irregularities on the part of employees, partial or complete unawareness of this Ethical Code and its contents shall not be considered as any kind of justification.

The Ethical Code aims to fulfil not only a regulatory role, but above all to serve as an ethical-behavioural guideline, aiming to exceed a purely sectional approach to achieve widespread and spontaneous adherence to shared principles in the management of work relationships, both inside and outside of the Company.

It is therefore intended that all those directly or indirectly involved or affected voluntarily fully comply with the content of this Ethical Code.

The checks associated with the application of the Ethical Code are expected:

- from each Employee;
- from each Department Head;
- from the Supervisory Bodies.

Amongst the supervisory bodies, the Supervisory Board in particular is responsible for monitoring the correct application of this Ethical Code, with specific attention to the rules of conduct inherent in Lgs.D. 231/01, by coordinating the various relevant company functions.

Any information and reports associated with the application of this Ethical Code may be presented to the Supervisory Board via the dedicated channels.

- addressed formal letter;
- personal e-mail;
- open email published on the company intranet.

Any violation, effective or potential, committed by Company employees or third parties should be reported to your immediate superior so that the relevant internal functions may be activated.

Any penalties shall be applied in compliance with legislation governing work issues and in accordance with applicable regulations.

Violation of the provisions set out in this Ethical Code may result in, in addition to the disciplinary penalties envisaged by the various regulations, possible legal action being taken against the responsible parties.