



THE SOFINTER GROUP CODE OF ETHICS

APPROVED BY THE BOARD OF DIRECTORS MEETING ON FEBRUARY 21, 2019

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INTRODUCTION

The Sofinter Group (hereinafter also the “Group”), including the company Sofinter S.p.A. and its subsidiaries, is a leader in the international market of energy. The Sofinter Group produces and sells plants and components for the production of steam for industrial use and for the production of electricity, for the treatment and incineration of wastes and for the treatment of water, including also Operation & Maintenance services.

The Group’s primary objective is to broaden activities within both its core business and new sectors, to be pursued also through a progressive international expansion.

Given the international nature of the business and in order to establish and maintain a trust relationship between the Group and other stakeholders, it is required, above all, the respect of the laws, in the knowledge that legal rules can not, however, be enough and that must be accompanied by a set of ethical principles, both general and specific, able to influence behavior and individual and collective choices for the best pursuit of the interests involved.

In order to define, with clarity and transparency, the values to which the Group conforms in order to achieve its objectives and to set out and clarify its ethical/social responsibilities and undertakings with the various internal and external operators referred to above, this Code of Ethics (hereinafter also the “Code”) has been drawn up as “Charter of Fundamental Rights and Duties”.

The Code also aims to introduce and enforce the principles and rules of conduct to prevent the crimes listed in the Legislative Decree. n. 231 dated June 8, 2001 on the liability of legal persons, to be added to the liability of the individual who actually committed the crimes.

In accordance with requirements set out by Legislative Decree no. 231/2001, the companies Sofinter S.p.A., AC Boilers S.p.A., Itea S.p.A. and Europower S.p.A., in addition to this Code of Ethics, have also adopted an Organizational Model of Management and Control.

The respect and observance of the Code of Ethics are an essential part of the contractual obligations of the Employees pursuant to Articles 2104¹ and 2106² of the Italian Civil Code.

¹ **Art. 2104 of Italian Civil Code – Diligence of employee.**1-The employee must use the diligence required by the nature of the service, the interests of the company and the higher interests of national production.

2-He must also comply with the requirements for the performance and discipline of the work given by the Employer and the employees of this hierarchy from which he depends.

² **Art. 2106 of Italian Civil Code – Disciplinary sanctions.**

Failure to comply with the provisions contained in the two preceding articles may result in the application of disciplinary sanctions depending on the seriousness of infringement and in accordance with corporate standards.

1 – GENERAL PRINCIPLES

1.1 GUARANTOR OF THE APPLICATION OF THE CODE OF ETHICS

In order to ensure that the principles contained in this Code of Ethics are properly applied, the Group has created the position of “*Guarantor of the application of the Code of Ethics*” (hereinafter the “Guarantor”), which shall be the Head of the Internal Audit of the Group.

Every Group company may also nominate its own Reporting Officer responsible for reporting to the Guarantor and undertakes not to carry out retributions of any kind due to its giving news of possible violations to the Code of Ethics.

The Guarantor:

- shall ensure, with the assistance of the Human Resources Department, that the Code of Ethics is distributed as widely as possible among Employees, Collaborators, Partners and in general all those engaged in relations with the Group;
- shall propose that the Code of Ethics be updated as regards its effectiveness and changes in company requirements and legislation;
- shall co-ordinate the undertaking of checks regarding possible violations of the Code of Ethics, which may include collating notices and involving, where necessary, the relevant sections of Group companies.

The Guarantor reports to the Parent Company Sofinter’s Supervisory Body and reports yearly on the undertaking of its own activities on a periodically and, in any event, whenever it deems it necessary.

If the Guarantor is in a situation which, even potentially, may constitute or result in a conflict of interest, he must promptly report it to the Supervisory Body in order to evaluate the actual presence and define the eventual action.

1.2 RECIPIENTS AND SCOPES OF APPLICATION OF THE CODE OF ETHICS

The rules of this Code of Ethics apply to Employees, Collaborators, members of the Group’s Boards of Directors and of Boards of Statutory Auditors.

Parties engaged in business dealings and all those co-operating in the pursuit of the Group’s goals, as part of the relationships that they enjoy with the Group itself, must adhere to the principles of the Code of Ethics.

For these purposes, the fundamental principles and content of the Code of Ethics shall be properly communicated by way of those procedures that are from time to time deemed the most suitable, as well as via the company’s website.

Members of the Boards of Directors of the various Group companies are required to adhere to the principles of the Code of Ethics, as identified below, in establishing the targets of Group companies and in proposing investments and realizing projects, as well as in any decision or action relating to the management and co-ordination of Group companies; similarly, the Managers, in implementing the management activities of Group companies, shall look to the same principles, both within the Group (thus strengthening unity and the spirit of mutual co-operation) and with third parties coming into contact with the Group.

The Group's Employees and Collaborators (such as consultants, representatives, intermediaries, agents, etc.), as well as Partners engaged in business dealings and all those enjoying relationships with the Group, are required to ensure that their own conduct conforms to the provisions of the Code of Ethics, performing their duties with honesty, dedication, and professional rigor and operating in keeping with the law.

Actions, transactions, dealings and in general any other activity carried out by Group Employees as part of their work activities must be geared towards correctness in the running of business operations, the transparency and completeness of information and conformity with internal procedures.

1.3 OBLIGATIONS PURSUANT TO THE CODE OF ETHICS

Each Employee or Collaborator has to be familiar with the regulations contained in the Code of Ethics and they are also obliged to refrain from conducting themselves in a way that conflicts with its provisions and to cooperate with the Guarantor to ensure its application. They must, moreover, collaborate in conformity to the Code of Ethics reporting, preferably in not anonymously way, to their superiors, to the Guarantor or to their Reporting Officer any news of possible violations to the Code of Ethics within the ambit of Group activities; where so required, they shall also collaborate with those units charged from time to time with verifying violations and avoid adopting their own individual measures.

Furthermore, each Employee or Collaborator must demand that third parties engaging in dealings with the Group duly comply with the provisions of the Code of Ethics when undertaking the activities for which they have entered into a relationship with the Group.

Every Manager and every head of the various business units and functions is required to:

- act as an example, provide leadership and guidance in conformity to the principles of conduct contained in the Code of Ethics and, with his own conduct, demonstrate to Employees and Collaborators that conformity to the Code of Ethics is a fundamental aspect of their work;
- provide adequate support to Employees and Collaborators in relation to the interpretation

of the content of the Code of Ethics;

- promptly report to the Guarantor any information received regarding possible cases in which the Code of Ethics has been violated;
- prevent any type of retaliation whatsoever.

1.4 EFFECTIVENESS OF THE CODE OF ETHICS AND THE CONSEQUENCES OF ITS VIOLATIONS

The Group will monitor compliance with the rules contained in the Code of Ethics, also ensuring the transparency of operations and corrective actions put in place in the event of breach, and reserves the right to prosecute and punish any conduct contrary to the letter and spirit of the said Code.

Compliance with the regulations contained in the Code of Ethics is to be regarded an essential part of the contractual obligations foreseen for the Employees of Group companies, pursuant to the provisions of Clause 2104 of the Italian Civil Code, as well as for those Collaborators.

The violation of the provisions of the Code of Ethics and Control Protocols of the Organization, Management and Control Model pursuant to Legislative Decree 231/2001 by a Sofinter Group Employee constitute failure of the primary obligations of employment or disciplinary offense, in accordance with the procedures set out in Article 7³ of the Workers' Statute, with the consequences of the law, including in relation to preservation of employment, and may be also due to claims for damages.

The report of complaint may be submitted only in writing, preferably in a not anonymous way, by letter or e-mail, with any relevant document referring to the events protested, to one of the following addresses:

- Sofinter S.p.A., Piazza Buffoni, 3 – 21013 Gallarate – Varese, to the attention of the

³ **Art. 7 Law May 20, 1970, no. 300. Disciplinary sanctions.**

1- The disciplinary rules on penalties to offenses in relation to which each of them can be applied and the procedures for contesting the same, must be brought to the attention of employees by posting in a place accessible to all. They must apply what is established in agreements and contracts of employment where they exist.

2-The employer may not take any disciplinary action against employees if they have been previously disputed the charge and without having heard in his defense.

3- The employee may be assisted by a representative of the union to which he adhere to or he grant mandate.

4-Subject to the provisions of Law on July 15, 1966, no. 604, can not be arranged disciplinary measures involving changes in the final of the employment relationship; also the fee can not be imposed for an amount more than four hours of pay or suspension without pay for more than ten days

5-In any case, the disciplinary measures more serious than verbal reprimand can not be applied sooner than five days after written notification of the fact that gave cause.

6-Unless similar procedures under the collective bargaining agreements and without prejudice to the right of the judicial authority, the worker which has been applied to a disciplinary sanction may promote, in twenty days, including through the association to which he adhere to or he grant mandate, the creation, by the provincial office of labor and full employment, a board of conciliation and arbitration, composed of one representative of each party and a third member selected by mutual agreement or, failing agreement, appointed by the director of the labor office. The disciplinary sanction shall be suspended until the decision by the College.

7-If the employer fails, within ten days of being invited by the employment office, to appoint its representative on the Board provided in the paragraph here above, the disciplinary sanction has no effect. If the employer invoking the judicial authority, the disciplinary sanction shall be suspended until the judgment.

8-It can not be taken into account for any purposes of disciplinary sanctions two years from their application.

Guarantor of the Code of Ethics;

- e-mail: ethicscode@sofinter.it.

The Guarantor of the Code of Ethics is responsible to consider the reports collected and to manage them in compliance with the provisions stated in the specific Protocol.

2 – ETHICAL PRINCIPLES AND CONFLICT OF INTEREST

2.1 ETHICAL PRINCIPLES

The Group's competitiveness and competitive position are closely correlated to the efficiency of the individuals and the means that, when integrated with one another, are able to attain successfully the company's objectives.

The primary objective of the Group and those directing it is to propose and realize projects, measures, and investments devised to preserve and grow company assets without sacrificing the features peculiar to each single contribution. In doing this, it aims to improve the quality and reliability of products and services offered, even through an efficient approach to innovation.

The Group, in order to achieve its goals, bases its actions on the following Principles:

- **RELIABILITY**

Aware of the sensitivity and the possible environmental impact of its business, the Group takes responsibility for its actions, ensuring maximum accuracy and reliability in the entire production and service process, according to the provisions of its Environmental, Health and Safety Policy. For this reason, the processes, the structures and the materials used are cutting-edge innovation and research while respecting the environment and persons' safety.

- **CARE AND ACCURACY**

In fulfilling its duties and contractual obligations, the Group requires each Employee or Collaborator the maximum care and professionalism.

- **INTEGRITY OF PERSON**

The Group promotes the physical and moral integrity of Employees and Collaborators, both through environments and working conditions appropriate and respectful of human dignity, as well as through policies against intimidation (i.e. mobbing, stalking). Behaviors in order to induce people to act against their will, the Law and the Code of Ethics are not permitted.

- **LOYALTY, FAIRNESS**

The Group is committed to fairness in the pursuit of its objectives and in collaboration with all stakeholders. Therefore, situations that could cause a conflict of interest are avoided and all the

instruments and the procedures to counter them are put in place.

- RESPECT

In carrying out its activities, the Group is committed to comply with all applicable laws and regulations in the countries in which it operates and the Code of Ethics. In particular, the Employees, Collaborators, members of the Boards of Directors and members of the Board of Statutory Auditors of the Group, are subject to compliance with the Code of Ethics, instead of tying the external subjects in the role of suppliers, employees, customers, high standards of integrity and fairness.

The Group promotes compliance with the/between people, deeming impartial in the choices made during their activities with regard to sex, age, race, religion, political affiliations.

Each Employee, Collaborator, member of the Board of Directors and member of the Board of Statutory Auditors of the Group is required to comply with the Principles.

2.2 VALUES

The values define the behavior and the essence of the Group.

All men and women of the Group are called to share, to respect and promote them.

- HONESTY

The Group is keeping its promises to deserve the confidence of all those with whom it works, on the basis of a transparent and responsible behavior.

- SERVICES

In carrying out its activities effective and flexible solutions are provided to meet the needs of customers and build strong partnerships.

- TEAMWORK

The best results are obtained through a teamwork and enhancing the role and capacity of the individual.

- MASTERY

All energies are dedicated to constantly improving of results and services. Doing well is not enough, the Group's objective is: to be "Masters".

- TIMELINESS

The most important aspect for the Group is acting with the utmost care, promptness and timeliness in order to ensure customers' satisfaction.

- **INNOVATION**

The continuous renewal is central to the business of the Group. To this through a strong team of research and development there is a daily effort to overcome stereotypes and to study new ways to produce energy. Innovation is aimed at improving the quality of products and services, and maintaining a leadership position in the international energy market.

2.3 CONFLICTS OF INTEREST

In performing their work-related duties, every Employee shall refrain from undertaking activities that are not in the interest of the company in which he/she works and the Group.

Each Employee may partake, outside work hours and away from his/her place of work, in activities that are different from those undertaken in the interest of the company in which he/she works and the Group, providing that these activities are permitted by law and compatible with the obligations assumed by him/her as an Employee.

The Group's Employees, Collaborators, members of its Boards of Directors and Boards of Statutory Auditors must nevertheless avoid all activities that constitute a conflict of interest with the company where they operate and/or the Group, with specific regard here to those personal or family interests that could influence their independence in performing the activities assigned to them with the goal of achieving the best interest of the Group.

Therefore, they are required to report any situations causing a conflict of interest, even where only potential, adopting the procedures defined by Group companies.

As an example, which is by no means exhaustive, the following are to be considered as situations causing a conflict of interest:

- exploiting one's own position to realize one's own interests or the interests of third parties, which conflict with those of the company where he/she works and of the Group;
- using information obtained while undertaking work-related activities to one's own advantage or to the advantage of third parties;
- holding stakes, interests or interests with Suppliers, Clients or Competitors;
- holding jobs or positions of any kind (Director, Auditor, Internal Auditor, Consultant) with Suppliers, Clients, Competitors;
- the application for the hiring of relatives and family members, as fully described in article 2.4

2.4 HIRING OF RELATIVES AND FAMILY MEMBERS

The job applicants shall be selected and evaluated in an objective manner on the basis of their

professional skills and their personal characteristics, regardless of whether the application has been submitted by an Employee of the Company.

Therefore, applications submitted by relatives and family members of active Employees will be considered in the same way as unsolicited applications.

Job applicants are required to report at the moment of the fulfillment of the job application if they are connected by relationship with Sofinter Group's employees and prosecutors can not participate, nor directly nor indirectly, in the selection process which involves a family member.

The policy of Sofinter Group limits the granting of powers of attorney to family members who may bind the Company by their double signature and also does not permit a direct reporting relationship.

Each Employee is also required to report any specific situation and activity in which he or, to the best of his knowledge, his relatives are holders of economic and financial interests (owner or partner) involving suppliers, customers, competitors, third parties or its affiliates and subsidiaries, or they have administration or control or management functions.

3 – RELATIONSHIPS WITH EMPLOYEES AND COLLABORATORS

With regard to the not subject relationship, the Group, in relation to its own functions and duties, shall be responsible for:

- rigorously complying with internal procedures relating to the selection and management of relationships with Collaborators;
- carefully selecting suitably experienced/qualified individual with a sound reputation;
- expressly referring in all collaboration contracts not involving an employer/employee relationship, to his/her obligation to adhere to the Principles of the Code of Ethics.

4 – RELATIONSHIPS WITH THIRD PARTIES

4.1 RELATIONSHIPS WITH CLIENTS

At the base of the corporate values and essential to the continuity of the business is customer satisfaction by offering advanced products and services.

Sofinter Group promotes customer relationships based on honesty, transparency, integrity, and therefore it is the obligation of the Group Employees:

- to provide high quality products and services that meet the reasonable expectations of the

customer and protect their safety and security;

- to comply with obligations and commitments towards them;
- to provide accurate, complete and true information;
- to be consistent with the advertising, commercial communications or any other kind.

4.2 RELATIONSHIPS WITH SUPPLIERS

In conducting relationships with Suppliers of goods and services, Group Employees are required to comply with the principles of this Code of Ethics, as well as with internal procedures. Each type of business relationship should be governed adopting the written form. In the event that the Supplier fails to comply with these principles, Sofinter Group may reserve the right to take appropriate action coming, in most severe cases, to avoid of further collaboration. Whatever the case, Suppliers must be selected in accordance with the prerequisites of quality, pricing, economic advantage, ability and efficiency.

In particular, Group Employees must:

- comply rigorously with prevailing legislation and with internal procedures relating to the selection and management of relationships with Suppliers, verifying that they are meeting the suitable requirements of reliability and integrity;
- in selecting supplier companies meeting the established prerequisites, adopt objective and transparent evaluation criteria, not precluding to any who is in possession of the requirements to participate in the drawing up of tenders;
- obtain the co-operation of Suppliers in ensuring that the requirements of Customers are duly met in terms of quality, cost and delivery timescales;
- in supply arrangements, comply with, and conform to, applicable legal requirements and contractually established conditions;
- comply with principles of correctness and good faith in correspondence and in discussions with Suppliers, in keeping with the most rigorous business practice.

4.3 RELATIONSHIPS WITH PUBLIC ADMINISTRATION AND OF A PUBLICIST NATURE

The Group's relationships with the Public Administration, or in any event relations of a publicist nature, must be founded upon the most rigorous pursuance of applicable legal and regulatory requirements and may not in any way compromise the Group's integrity and reputation. It is also required that the relationships with the Public Administration are monitored and documented in the demonstration of an act transparently, fairly and

professionally by the Group.

The assumption of commitments and the management of relationships, of any kind, with the Public Administration and/or those of a public character are reserved exclusively to the authorized Company departments.

4.4 RELATIONSHIPS WITH AUTHORITIES AND OTHER REGULATORY BODIES

The Group undertakes to conform fully and rigorously to the rules laid down by the Supervisory Authorities and regulatory bodies.

Group Employees shall duly fulfill every request received from the Authorities and other regulatory bodies in their inspective roles, co-operating with the relevant procedures established for inquiry purposes.

4.5 OTHER RELATIONSHIPS WITH THIRD PARTIES

The Group does not make donations of any kind, directly or indirectly, to political parties, movements, committees and political organizations, unions, or their representatives or candidates, both in Italy and abroad.

The participation of Employees in the name of or on behalf of the Group, to committees and associations of all kinds, be they scientific, cultural or industrial, must be approved by the Group in accordance with internal procedures.

Employees who are invited on behalf of the Group or as its representative to attend meetings, conferences or seminars, or to write articles, essays or publications in general, are required to obtain the prior approval of the Guarantor of the texts and any other documents prepared for this purpose.

4.6 RELATIONSHIPS WITH MEDIA

Relations between the Group and the mass media are based on the respect of the information right and in general lies exclusively with those charged functions, in compliance with the communication policy defined by the Group. Group Employees may not therefore provide information to representatives of the mass media without authorization by competent functions. Whatever the case, information and communications relating to the Group and sent outside of the organization must be accurate, truthful, complete, transparent, in line with the Group policies and consistent with each other.

4.7 PRESENTS AND GIFTS

The Employee shall not:

- receive any form of payment from anyone for the performance of an act of his office or contrary to official duties;
- give or receive, in any form, whether direct or indirect, presents, gifts, hospitality, unless the value of the same is of little value and does not affect the company's image;
- subject to any form of conditioning by Group's internal and external person, not been authorized, for decision-making and/or execution of actions relating to their work.

Employee who receives gifts, or other form of benefit not of small value, is required to notify the Guarantor.

In any case, during a business negotiation or a relationship, including commercial, with the Public Administration, in Italy or in other countries, the Group undertakes not to:

- directly or indirectly offer employment and / or commercial opportunities in favor of the Staff of the Public Administration involved in the negotiations or in the relationship, or their families;
- offer gifts also in the form of business promotions reserved solely to Employees or through, for example, the payment of travel expenses, except in case of acts of kindness and of little value in current use;
- solicit or obtain confidential information that could compromise the integrity or reputation of both parties.

In relations with the Public Administration, in Italy and abroad, is not allowed to representatives and/or Employees of the Group to pay or offer, directly or through third parties, payments or gifts of any kind and entity, whether Public Officers, public Employees and private Citizens, both Italian and from other countries, with which the Group has commercial relationships, to compensate or repay an act of their office or to achieve the performance of an act contrary to the duties of their office.

Courtesies of little value, such as gifts or hospitality, or any other form of benefit (including the form of donations) are permitted only if they do not compromise the integrity and reputation of the parties and can not be interpreted as acts aimed to obtain advantages and favors improperly.

In countries where it is customary to offer gifts to clients or to others, the Group may do so only in the event that these gifts are of an appropriate nature and of modest value, but always in compliance with applicable laws, the commercial practice and codes of ethics – If known – of the companies or entities with which the Group does business.

4.8 NO-PROFIT INITIATIVES

The Group may promote no-profit activities in order to endorse its commitment to activities that satisfy the widespread interests (worthy of appreciation, from an ethical, legal and social standpoint) of the community in which it operates. In accordance with the Principles of the Group, donations may therefore be made to no-profit associations that operate with proper bylaws and are of considerable cultural value or benefit on a nationwide scale.

Sponsorships, which may concern social, sport, entertainment, art and culture issues, are only to be provided to those events where quality is guaranteed.

5 – STAFF AND WORKPLACE POLICIES

Sofinter Group considers essential that, at work, the respect for human rights and the protection of individual dignity are ensured, prohibiting all companies belonging to the Group, both in Italy and abroad, any form of exploitation of the work and, in particular, of child labor.

It agrees, therefore, with regard to child labor, not to employ workers under the age of 15 years pursuant to paragraph 1 of art. 2 of the Minimum Age Convention, or, in the developing countries referred to in paragraph 4 of that Article, to employ no workers under the age of 14 years.

The respect of these guarantees and prohibitions mentioned above is mandatory and required by the Group to all its suppliers, whether in Italy or abroad.

5.1 HUMAN RESOURCES: SAFETY AND HEALTH

Employees and Collaborators are considered indispensable for the existence and future development of the Group. The Group is committed ensuring that legal provisions relating to the accident prevention and safety in the workplace are duly observed, ensuring appropriate places and working environments in compliance with national and international standards.

The health of Employees and Collaborators should not be understood only as the absence of disease but also as psychological, physical and social well-being, that can be achieved by the following principles of organization:

- to minimize the risks;
- evaluating the risks which can not be eliminated;
- combating the risks at source;
- adapting the work to the individual, especially as regards the organization and design of

workplaces, the choice of equipment, methods of work and production. Above all, we must fight the monotonous or repetitive activities, and thus to reduce their negative effects on health. If the work is monotonous or repetitive, the organization of jobs and the choice of equipment, methods of working and production must be optimized in order to alleviate the workers:

- to monitor developments in technology;
- to replace what is dangerous with what is not or is less;
- to plan the protection of health in such a way that the individual, technical, organizational and social aspects and all their interactions are considered as a whole;
- to give priority to the protection of health in collective rather than individual;
- to educate employees in an appropriate manner, and this implies the statement on the application and its supervision and training at all levels of the hierarchy.

5.2 ALCOHOL OR DRUG ABUSE AND SMOKING BAN

Each Employee must refrain from performing his/her activities whilst under the influence of alcoholic substances, drugs or substances causing similar effects. Each Employee must also refrain from taking any such substances whilst performing his/her duties at work.

Situations of chronic alcohol and drug addiction that affect an Employee's performance at work and may impair the normal undertaking of his/her activities shall also be associated with the above cases.

The Group has also taken to impose a smoking ban in the workplace in accordance with applicable legislation.

5.3 APPRECIATION OF HUMAN RESOURCES

So that the capacity and skills of each Employee are valued in such a way that they can express their potential, the corporate departments should:

- understand the skills and abilities of the candidates in the selection phase and be able to assess whether they are related with business needs;
- apply the criteria of merit and professional competence in respect of the Employees;
- select, hire, train, compensate and manage Employees without favoritism, nepotism and discrimination of any kind, so that everyone can enjoy a fair and equal treatment regardless of sex, age, nationality, religion, ethnicity;

- ensure each Employee equal opportunities.

Employees must be aware of the Code of Ethics and conduct prescribed by it; for this purpose, the Managers and Executives of business units and functions will be referenced within its organizational structure for any need for clarification.

5.4 USE OF COMPANY GOODS

Each Employee or Collaborator must respect, protect and preserve values and assets that have been entrusted to avoid misuse in conflict with the interests of the Group and / or that might cause damage or reduced efficiency. It is forbidden to use, if not for the exclusive benefit of the Group, resources, goods or materials owned by the same.

With regard to the use of information by Employees or Collaborators, compliance with the Group's policies and specific procedures for information security is required, avoiding behaviors or actions that could adversely affect the safety and functionality of the computer system company.

5.5 GROUP INTELLECTUAL PROPERTY RIGHTS

The results of the professional activities undertaken by every Employee and external Collaborator not bound by an employment contract (e.g. ideas, inventions, programs, the fine-tuning of processes, improvements, etc.) are the property of the Group company in which they operate. The development of every recognized idea or idea that may be developed as part of the Group's present and/or future activities must therefore be reported by way of a written memorandum addressed to the Managing Director.

5.6 PERSECUTIONS AND MOBBING IN WORKPLACE

Sofinter Group requires that internal and external work relationships don't cause any persecutions or attitudes in any way connected to mobbing and any form of violence or sexual harassment that refers to personal and cultural diversity.

Are considered as such:

- the creation of an intimidating, hostile, isolating or otherwise discriminating against individuals or groups of employees' workplace;
- the unjustified interference with the work performing by others;
- the obstacle of others merely job prospects for reasons of personal or others competitiveness;
- any unwanted conduct of a sexual nature, or any other type of discrimination based on

sex affecting the dignity of women and men in the workplace, including any physical, verbal or non-verbal behaviors.

5.7 ENVIRONMENTAL PROTECTION

The protection of the environment and the efficient exploitation of natural resources are considered core values of the Group's business, aimed at identifying and developing new sustainable technologies and at the same time minimizing the environmental impacts related to its activities.

Compliance with the binding legislation and the continuous effort in the adaptation and alignment with the community and international standards and principles in the environmental field are supported by the entire organization that undertakes to:

- prevent polluting activities, in order to avoid the occurrence of damage to the environment;
- implement the precautionary principle, adopting all those behaviours and actions able to prevent in advance the occurrence of damage;
- correct at the source the potential damage caused to the environment, so that the negative effect does not expand further;
- promote sustainable development, guaranteeing an economic development compatible with the environment and the rational exploitation of resources for future generations;
- integrate, within its policies, starting with economic policies, measures that actively contribute to safeguarding the environment;
- improve and raise the level of protection, taking initiatives to protect the environment and protect the territory.

6 – CORPORATE GOVERNANCE. TRANSPARENCY OF ACCOUNTING PRACTICE AND INTERNAL AUDIT PROCEDURES. ANTI MONEY LAUNDERING

6.1 CORPORATE GOVERNANCE

Reputation is of fundamental importance to the Group. To this aim, it is necessary that during the running of business operations, the most appropriate principles of corporate governance are observed in order to ensure that the Group's activities are undertaken as efficiently as possible, in keeping with rules of sound corporate governance and the provisions of this Code of Ethics, in the interest of Shareholders, Employees, Collaborators and all those persons entering into business relations and/or coming into contact with the Group.

The Group is committed to meeting the highest possible standards when adapting to the provisions and principles of self-regulation laid down by the Authorities responsible for the regulated markets in which the securities of Group companies might be listed.

6.2 ACCOUNTING ENTRIES

Every operation or transaction is to be correctly recorded in the company accounting system, in accordance with the criteria indicated by law and all applicable accounting standards. It must also be authorized, verifiable, lawful, consistent and proper.

To this aim, Group companies adopt accounting standards that meet requirements for truthfulness, completeness and transparency with regard to the data recorded; for every transaction, the inherent decision-making, authorization and execution process must be able to be verified, and adequate and complete documentation in support of the activity undertaken must also be stored as part of the Group's official documents.

Each Employee is therefore required to co-operate – to the extent of his/her duties and responsibilities – so that any fact or event relating to the Group's management is reported correctly and promptly to the competent functions and duly recorded in the relevant ledger.

6.3 INTERNAL AUDIT PROCEDURES

The term “internal audit procedures” means all instruments necessary or useful of steering, managing, verifying and realizing the activities of Group companies in order to ensure the respect of laws and business procedures, to protect company assets, to effectively manage business activities and to provide truthful and correct information regarding the Group's property, performance and financial situation. Within this, is also included checking the adequacy of business processes in terms of economy, efficiency and effectiveness and the reliability and accuracy of accounting records.

Mission of the Group is to spread, at all levels, an internal culture characterized by an awareness of the existence of checks and geared to the pursuit of the control.

As part of their functions and responsibilities, the Group's Managers shall be required to take part in the realization and implementation of an effective business control system and to get all staff operating below them to become part of same system.

To the extent of their duties, Group Employees shall therefore be required to:

- define and ensure the correct functioning of the aforementioned control system;
- responsibly look after all company assets (fixed and intangible alike) that are instrumental to the activities undertaken and ensure that they are not used improperly.

The Internal Audit Department and the Independent Auditing Firm appointed, except for the

applicable privacy laws, may freely access any data, documentation and information held useful in the undertaking of internal audit and accounting activities.

6.4 ANTI MONEY LAUNDERING

The Group does not permit any kind of money laundering. Employees and Collaborators must verify in advance the moral integrity of the people with whom they have working dealings through a control of the information available. The Group is committed to conforming to all legal requirements relating to “anti-money laundering” in those countries in which the Group operates.

7 – CONFIDENTIAL INFORMATION, PRIVACY PROTECTION AND INSIDER TRADING

7.1 CONFIDENTIAL INFORMATION AND PRIVACY PROTECTION

The Group’s activities constantly require data, documents and information regarding business negotiations, procedures, transactions and contracts to which the Group is party to be obtained, retained, processed, disclosed and circulated.

The Group databases may contain, moreover, personal data protected by privacy laws, data that may not be divulged abroad and data whose disclosure could cause damage to the Group itself. Each Employee is thus required to safeguard the private and confidential nature of the information acquired as part of his/her work duties, and – more specifically – to comply with the confidentiality clauses requested by Clients and other counterparties.

All information, knowledge and data acquired or processed by Employees by way of their duties belong to the Group and may not be utilized, disclosed or divulged without prior and specific authorization being granted by a superior.

Each Employee shall:

- obtain and process only the data that is necessary and directly related to his/her duties;
- retain said data in such a way that outside third parties are prevented from becoming aware of it;
- disclose and divulge data as part of procedures that are pre-established by the Group or with prior approval of the competent person;
- ensure that there are no confidentiality-related restrictions by virtue of relations of any kind with third parties.

The Group for its part undertakes to protect information and data relating to its Employees and

to third parties, and to prevent said information and data from being used improperly. To ensure that the privacy of all Employees and Collaborators is respected, the language used in communications and demand of personal data must be clear and unequivocal so that such persons can understand the request, the processing and storage of data. All standards adopted prohibiting to collect/disseminate personal data without the consent of the employee, except as required by law.

It does not include any investigation of ideas, preferences, privacy of workers.

7.2 INSIDER TRADING

All Employees and Collaborators who are not bound by an employment contract shall observe both domestic and international laws relating to insider trading.

With this in mind, price-sensitive information is of particular importance. Said information is to be disclosed to third parties – in accordance with the procedures adopted by the Group – solely by those persons authorized to do so, and in any event in conformity with current legal provisions and pursuant to principles of the equality and contextuality of information.

No Employee or Collaborator not bound by an employment contract is to gain benefit of any kind (be it direct or indirect, personal or wealth-related) from using confidential information, where said information is not available within the public domain.