



**CODE
OF ETHICS
SILGA S.P.A.**

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INTRODUCTION

Legislative Decree no. 231/2001

On 8 June 2001, the Italian legislature enacted the Legislative Decree no. 231 (hereinafter also referred to as ‘Decree’), laying down the “Regulations governing the administrative responsibility of judicial entities, companies and associations, even devoid of judicial status” (hereinafter also referred to as ‘Bodies’ and, singularly, ‘Body’).

The Decree introduced into the Italian system the principle of responsibility of the Bodies for offences committed, in their interest or to their advantage, by employees and/or other persons specified in article 5 of the Decree (e.g., directors, auditors, executives, representatives of the Body, as well as persons subject to their management or supervision), unless, among other conditions, the Body has adopted and effectively implemented a suitable organization, management and control model (hereinafter also referred to as ‘Model’).

SILGA Model and purpose of the Code of Ethics

In accordance with the provisions of the Decree, SILGA has adopted its own Model, intended to prevent the risk of committing offences pursuant to the Decree.

This code of ethics (hereinafter, for the sake of brevity, referred to as ‘Code of Ethics’ or just ‘Code’) is an integral part of the Model adopted by SILGA, as it contains, among other things, the general principles and rules of conduct to which the Company attributes a positive ethical value and with which all the recipients of the Code must comply.

Recipients of the Code of Ethics

Given the purpose of proving ethical guidance for the activity of SILGA, this Code is binding for all directors, statutory auditors, auditing firm (hereinafter referred to as ‘Directors’, ‘Statutory Auditors’ and ‘Auditing Firm’), employees, including the executives (hereinafter jointly referred to as ‘Personnel’), with no exceptions, as well as for all those who, albeit external to the Company, operate, directly or indirectly, for SILGA (e.g., representatives, agents, collaborators of all kinds, consultants, suppliers, commercial partners, hereinafter referred to as ‘Third-Party Recipients’). All the subjects indicated in the paragraph shall be hereinafter referred to as ‘Recipients’ or, singularly, ‘Recipient’.

Hence, all Recipients are required to comply with the principles contained in the Code and, insofar as it pertains to them, to make sure that such principles are complied with, as the Code also applies to activities which the Company carries out abroad. Under no circumstances will the claim of acting in the interest of SILGA justify the adoption of behaviours in contrast with those set forth in this document. Specifically, compliance with the rules of the Code should be considered an essential part of the contractual obligations of the employees of the Company, pursuant to and for the effects of the provisions referred to in article 2104 and subsequent of the Civil Code.

The violation of the Code of Ethics is prejudicial to the relationship of trust with the Company and may lead to disciplinary action and claims for damages, it remaining understood that in the case of employees the procedures pursuant to art. 7 of Law n. 300 of 20 May 1970 (the Workers’ Statute), and the provisions of the applicable collective labour agreements and any regulations adopted by SILGA shall always hold firm.

Circulation of and training on the Code of Ethics

The Company undertakes to ensure timely internal and external circulation of the Code of Ethics through:

- distribution to all members of the corporate bodies and the entire Personnel;
- posting in a place accessible to everyone;
- provision to Third-Party Recipients and any other party on the website of the Company and on the corporate intranet.

The Supervisory Body (hereinafter also referred to as ‘SB’) appointed by the Company pursuant to the decree, in collaboration with the HR Department, promotes and monitors the periodic implementation of training initiatives on the principles of the Code, also planned in consideration of the need to differentiate training on the basis of the roles and responsibilities of the human resources concerned, with more intense, in-depth training for those classified by the Decree as ‘Senior Managers’ and for those who operate in the “risk areas” as qualified by the Model.

Furthermore, contracts with Third-Party Recipients include clauses, or require the undersigning of declarations, which formally bind such subjects to respect the Model and the Code of Ethics and pursuant to which sanctions of a contractual nature can be imposed in the case of failure to respect the commitment.

Structure of the Code of Ethics

This Code is composed of 4 parts:

- the first part contains the general ethical principles which represent the values of reference for the activity of the Company;
- the second part contains the specific rules of conduct dictated to the Recipients;
- the third part illustrates the mechanism that governs relations with third parties;
- the fourth part contains the implementing provisions of the Code of Ethics.

Modifications and additions to the Code may be made by Board of Directors' resolution, also on the basis of the suggestions and indications received from the Supervisory Body.

1. ETHICAL PRINCIPLES

1.1 Reference ethical principles

In accordance with the provisions of Confindustria Guidelines, SILGA intends to define the reference ethical principles for all Recipients.

In no case shall the belief of acting to SILGA's advantage justify conduct which conflicts with the principles of this Code, which shall be of primary and absolute importance. The Company adopts the principles described below.

Responsibility and observance of the law

An essential principle for SILGA is the respect for law, regulations, and, in any case, all provisions being in force in Italy and in all the countries where it operates, as well as for the democratic system established therein.

Equality and impartiality

Every proposal, decision and action is taken regardless of age, gender, race, ethnicity, nationality, political opinion and/or religion.

Honesty

The Company refrains from carrying out illegal actions and actions that do not conform to the common sense of righteousness, honor and dignity.

Fairness

The Company maintains irreproachable behavior and acts with diligence and good faith, meeting commitments.

Transparency

The principle of transparency is based on the truthfulness, accuracy and completeness of information both inside and outside the Company.

In accordance with the principle of transparency, all operations and transactions must be correctly recorded, authorized, verifiable, legitimate, consistent and appropriate.

All actions and operations must be adequately recorded and the verification of the decision, authorization and performance process must be possible.

Each operation must be adequately documented for the purpose of making, at any time, controls to certify the characteristics and reasons for the operation and identify who authorized, performed, recorded and verified the operation itself.

The Company uses objective and transparent criteria for the selection of suppliers. This choice, in compliance with current regulations and internal procedures, must be based on objective assessments of competitiveness, quality and economic conditions.

The supplier will also be selected in consideration of the ability to ensure:

- compliance with the Code of Ethics;
- implementation of adequate quality systems, where required;
- availability of suitable organizational means and structures;

- compliance with the legislation relating to labor, including matters relating to child and women's labor, safety and health of workers, trade union rights or in any event association and representation rights.

Reliability

The Company guarantees to its partners the respect of the commitments made and the correspondence between what was initially proposed and what is subsequently implemented, except for unfavorable and/or unforeseeable circumstances not attributable to the company's conduct, promoting the establishment of a relationship of complete trust.

Mutual respect

Mutual respect is a common prerequisite for all those who have a relationship of any kind with the Company. The Company does not tolerate bullying, threats or behavior intended to influence the actions of others in a manner contrary to the law or this Code, abusive conduct or conduct harmful to the beliefs and moral and personal preferences of everyone.

Cooperation

The Company promotes cooperation and mutual cooperation, recognizing the value of the human resources employed in the business activity, in order to improve and enhance the professional skills of each employee or collaborator.

Environmental and safety protection

The Company protects the environment and ensures safety, even in terms of occupational safety.

Quality

The Company orients its activity to the satisfaction of its partners, consistently with the integrity principles and the system of values adopted by SILGA, aiming for the highest quality standards of its services.

Competition

The Company recognizes that competition is an essential element for the economic and social development of the country. To this end, in carrying out its activity, it makes sure that the general conditions for freedom of enterprise are complied with, enabling economic operators to access the market and compete with equal opportunities, and it protects its customers, favoring the reduction of prices and service quality improvements resulting from free competition.

Spirit of service

The Recipients must direct their conduct, within the limits of the respective competences and responsibilities, to the pursuit of the corporate mission intended to provide a high social value service useful for the community, which must benefit from the highest standards of quality.

Value of human resources

General aspects

Human resources are recognized as an essential and indispensable factor for the development of the company. SILGA protects growth and professional development in order to increase the wealth of expertise owned, in accordance with the current regulations on individual personality rights, with particular regard to the moral and physical integrity of the personnel.

SILGA undertakes not to promote any form of patronage and nepotism, as well as not to establish any work relationship with persons involved in terrorism.

The Personnel is hired solely on the basis of regular employment contracts, as no form of irregular work is tolerated. The candidate must be made aware of all the characteristics pertaining to the work relationship. The acknowledgement of salary increases or other incentives and the access to senior roles and positions (promotions) are linked to the rules established by law and the collective labor contract, as well as to individual merits of the employees, including the ability to have organizational conduct and competences based on such reference ethical principles of the Company as indicated in this Code.

Mutual respect

The Company requires that no kind of harassment takes place in internal and external work relationships, such as the creation of a hostile work environment against individual workers or groups of workers, unjustified interference in the work of others or the creation of obstacles and impediments to the job prospects of others.

Harassment in the workplace

The Company does not tolerate sexual harassment, understood as the subordination of opportunities for professional growth to the provision of sexual favors or proposals of private interpersonal relationships which, because of being unwanted by the recipient, can disturb his or her serenity. The Company requires that no kind of harassment takes place in internal and external work relationships, such as the creation of a hostile work environment against individual workers or groups of workers, unjustified interference in the work of others or the creation of obstacles and impediments to the job prospects of others.

Abuse of alcohol or drugs

Each employee or collaborator must refrain from performing their duty under the influence of alcohol or drugs, or substances giving rise to similar effects, and from using these substances in the course of their work performance.

States of chronic addiction to alcohol and drugs affecting the work performance will be considered the same as the above cases.

Smoking

The Company undertakes to ensure the safety and health of its employees, subject to the ban on smoking in places where this may be dangerous for the safety of people and the healthiness of the environment. The Company shall take into particular consideration the condition of those suffering physical discomfort from exposure to smoke in the workplace shared with smokers.

Confidential information and protection of privacy

The activities of the Company constantly require the acquisition, storing, processing, communication and dissemination of data, documents and information regarding negotiations, proceedings, transactions and contracts.

The Company's databases may also contain personal data protected by the regulations on the protection of privacy, data that cannot be disclosed to the outside and finally data the disclosure of which may be detrimental to the Company.

Each Recipient is therefore required to protect the privacy and confidentiality of information acquired in the performance of their duties. All information, knowledge and data acquired or processed by the Recipients through their duties may not be used, communicated or disclosed.

Each Recipient shall:

- obtain and process only the data necessary and directly related to his or her functions;
- keep such data in order to prevent third parties from becoming aware thereof;
- communicate and disseminate data within the procedures established by the Company or upon authorization of the competent person;
- determine the confidential nature of the information under the provisions of the procedures established by the Company.

The Company, for its part, undertakes to protect the information and data relating to its Recipients and third parties, and to avoid any misuse thereof.

The Company conforms to the requirements of confidentiality of personal data pursuant to Legislative Decree no. 196/2003 and subsequent amendments, additions and implementing regulations.

Relations with the community and environmental protection

SILGA recognizes the importance of the environment protection in ensuring a coherent and balanced growth path.

Consequently, the Company undertakes to safeguard the environment and contribute to the sustainable development of the territory, even through the use of the best technologies available and the constant monitoring of business processes, and to the identification of industrial solutions of reduced environmental impact.

All SILGA activities must be conducted so as to comply with the provisions of the environmental regulations. The search for benefits for the Company, whether they imply or may imply the violation, intentional or negligent, of environmental standards, is never justified.

2. GENERAL RULES OF CONDUCT

2.1 General rules of conduct for the Recipients

Any action, transaction and negotiation performed and, generally, the conduct of the Recipients in the performance of their duties shall be inspired by the principles of honesty, fairness, completeness, transparency, legitimacy, clarity and mutual respect, and shall be open to inspections and controls in accordance with the current regulations and internal procedures.

All the activities shall be performed with the utmost care and professional skill. Each Recipient is required to provide skills and expertise adequate to the tasks assigned, and to act in a way capable to protect the image of the Company.

Conflict of interest

Under this Code, unsubordinated Recipients must also refrain from carrying out activities that are potentially in conflict with the interests of the Company.

It is prohibited to take personal advantage of so-called “sensitive” information and business opportunities that have been learned during the performance of duties within the Company.

Protection of the company’s assets

Each Recipient must safeguard the company's assets, safeguarding movable and immovable property, technological resources and IT support, equipment, products, information and/or know-how of the Company. In particular, each Recipient must:

- use company assets according to the company policies, scrupulously observing all safety programs to prevent unauthorized use or theft;
- avoid improper use of company assets that may cause damage or reduce efficiency, or otherwise be contrary to the interests of the Company;
- maintain the confidentiality of information concerning the Company or business partners of the Company, avoiding disclosure to third parties;
- scrupulously respect the provisions of the corporate security policy, in order not to compromise the functionality and protection of information systems;
- not send e-mail messages that are threatening and insulting, not use impolite or unprofessional language, not express inappropriate comments that could offend the person and/or damage the corporate image;
- safeguard and not disclose to unauthorized third parties their own password and code of access to corporate databases;
- not reproduce company’s software for personal purposes or use the tools provided for private purposes.

Each Recipient is responsible for protecting the resources entrusted to them and has a duty to promptly inform their direct managers of potentially damaging events.

Protection of the image

The good reputation and/or image of the Company is an essential intangible resource.

The Recipients undertake to act in accordance with the principles of the present Code in the relations with colleagues and partners, customers, and third parties in general, keeping a dignified demeanor in accordance with common standards for companies that are the same size and prominence as SILGA.

2.2 General principles of conduct for members of corporate bodies

The corporate bodies, aware of their responsibility, are required to comply with provisions of the Model and the Code of Ethics, which is an integral part thereof, as well as with the law, the current regulations and the statutes.

Their members are required to:

- maintain behavior based on autonomy, independence, and fairness with public institutions, private entities (including creditors), economic associations, political parties, as well as with any other national and international operators;
 - maintain behavior based on integrity, loyalty and sense of responsibility towards the Company;
 - ensure constant and informed participation in the meetings and activities of the corporate bodies;
 - ensure the sharing of the mission and an accurate critical spirit, in order to ensure a significant personal contribution;
- assess situations of conflict of interest or incompatibility of functions, duties or positions outside and inside SILGA, refraining from carrying out acts in situations of conflict of interest within the scope of the activity;
- not hinder in any way the control and / or auditing activities carried out by shareholders, other corporate bodies, including the Supervisory Body, or the entity in charge of statutory audit;
 - make confidential use of the information coming to their knowledge by reason of their office, avoiding the use of their position;
- not obtain personal benefits, both direct and indirect. All communication activities to the outside must respect the laws and practices of conduct and must be intended to safeguard price-sensitive information and information covered by trade secret;
- respect, within the limits of their competence and responsibilities.

2.3 Principles and rules of conduct for the Personnel

The personnel must conform their conduct, both in internal relations and towards external interlocutors of the Company, to the current legislation and the principles of the Model and the Code of Ethics. With reference to the model, the personnel are required to:

- a) avoid having, giving rise to or contributing towards behavior intended to integrate any of the offences mentioned in the Decree;
- b) cooperate with the SB in the course of the audit and supervision activities carried out, providing the information, the data and information it requests;
- c) give the planned communications to the SB;
- d) report to the SB any malfunctions or violations of the Model and/or the Code of Ethics.

The personnel can contact the Supervisory Body at any time, both in writing (even by email to the dedicated address) and verbally, in order to request relevant clarifications and/or information, such as:

- interpretation of the Code of Ethics and/or other protocols associated with the Model;
- legitimacy of particular behavior or specific conduct, as well as their opportunity and compliance with the Model or the Code of Ethics.

In addition to the general conditions referred to above, the Personnel must also respect the principles and rules of conduct set out below and relating to both issues considered of particular relevance in terms of ethics, and specific areas of business.

3. RELATIONS WITH THIRD PARTIES

3.1 Relations with Customers

The Company bases its conduct in relations with customers on principles of transparency, reliability, responsibility and quality.

The Recipients are, therefore, required to:

- comply with laws and regulations that apply to the conduct of their activity;
- scrupulously observe the provisions of this Code and the internal procedures relating to the management of relations with customers;
- provide the customer with any information about the conditions and the contractual terms of service offered, so that customers are fully aware thereof upon completion of the agreement, and about any change in the economic conditions of the provision of the service and the outcome of any audits requested by the customer;

- adopt behavior based on availability, respect, courtesy, in line with SILGA standards, characterized by the highest professionalism.

3.2 Relations with Suppliers

In relationships regarding tenders, procurement and, generally, the supply of goods and/or services and of external collaborations, the Recipients shall:

- observe and comply with the applicable laws and contractual conditions;
- osservare le procedure interne per la selezione e la gestione dei rapporti con i fornitori;
- abstain from excluding any supplier meeting requirements from bidding for the Company's orders, adopting selection methods based on established, transparent criteria;
- maintain a frank and open dialogue with suppliers, in line with good commercial practice;
- observe the principles of transparency and completeness of information in the correspondence with suppliers;
- avoid giving money or other benefit to anyone for the execution or omission of an act of their office, or for the execution of an act contrary to their office;
- not undergo any form of conditioning by third parties unrelated to the Company, nor exercise it against anyone, for decision-making and/or the execution of acts relating to the work activity;
- always ask for evidence of the provision of services obtained, avoiding entering into contracts for fictitious or non-existent performance.

Recipients receiving gifts, or other forms of benefit, not directly attributable to normal courtesy relationships, shall take the appropriate initiative to refuse such gifts or any other benefits and inform their supervisor or the Supervisory Body thereof.

The Company acquaints its suppliers with the content of this Code by making it available.

3.3 Relations with the Public Administration

The Company's relations with the Public Administration, or in any case relating to public relationships, shall be guided by the strict compliance with legal and regulatory requirements.

In relations with the Public Administration, the Company should not try to improperly influence the decisions of the institution concerned.

In any case, during a business negotiation or a relationship, even a business one, with the Public Administration, in Italy or other countries, the Company shall:

- not provide job and/or business opportunities in favor of the Public Administration personnel involved in the negotiation or relationship, or in favor of their family members;
- not offer, directly or indirectly, gifts, presents or any other benefit, unless they are acts of commercial courtesy of a modest value, to the Public Administration personnel, or their family members;
- not improperly influence the decisions of officers negotiating or making decisions on behalf of the Public Administration;
- follow behavior based on the ethical principles adopted with this Code.

In relations with the Public Administration, in Italy or abroad, the Recipients of the Company are not allowed to pay, or offer, directly or through third parties, sums of money or gifts of any kind to entities, whether public officers or public service officers, government representatives, civil servants and private citizens, whether Italian or from other countries, with whom the Company has business relations, to compensate or repay them for an act of their office, nor to obtain the execution of an act contrary to the duties of their office.

3.4 Relations with the Supervisory Authorities

The Company undertakes to fully and strictly comply with the rules dictated by the Supervisory Authority for the compliance with the current legislation in areas relating to their activities, providing full cooperation and transparency.

The Company does not deny, conceal or delay any information requested by the Supervisory Authorities and other regulatory bodies in their inspection functions, and actively cooperates during any investigative procedures.

3.5 Relations with political organizations and trade unions

The Company does not make any contributions to organizations with which a conflict of interest could arise. The Recipients, in turn, may not engage in political activity during working hours, or use the Company's property or equipment for this purpose; they shall also make clear that any political opinions expressed by them to others are strictly personal and do not therefore represent the opinion and orientation of the Company.

In relations with other interest groups (e.g. trade associations, environmental organizations, etc.) no Recipient shall promise or pay sums of money, promise or grant goods in kind or other benefits in their personal capacity to promote or further the Company's interests even as a result of unlawful pressure.

Any contribution shall, however, be provided in strict compliance with the laws and rules in force and adequately documented.

3.6 Relations with the media

The relations between the Company and the mass media in general pertain exclusively to corporate functions and offices appointed thereto and shall be maintained in respect of the communication policy defined by the Company.

The Recipients of the Company may not, therefore, provide information to representatives of the mass media without the authorization of the competent functions.

In any case, the information and communications relating to the Company and intended for the outside shall be accurate, truthful, complete, transparent and consistent with each other.

3.7 Non-profit initiatives

The Company may accept requests for contributions only in relation to proposals from non-profit organizations and associations or those of high cultural or charitable value.

Sponsorship activities may relate to social, environmental, sport, entertainment and art issues.

In any case, in selecting proposals to be accepted, the Company pays special attention to any possible personal or corporate conflict of interest.

To ensure consistency of contributions and sponsorships, as well as to ensure an adequate level of control over the actual provision of sponsorship services, the management is governed by a specific procedure.

4. IMPLEMENTING PROVISIONS

4.1 Circulation of the Code of Ethics

The training/information on the contents of the Code of Ethics is a crucial aspect for the organization and has among its objectives: to promote and strengthen corporate culture around the recognized values, to disseminate the rules, procedures and practices to be followed and especially to widen consensus on the principles.

Paper copies of the same will be delivered to all SILGA employees and the provisions of the same are available electronically on SILGA intranet/local network to offer them the necessary visibility within the Company.

4.2 Reporting to the Supervisory Body

The Supervisory Body, pursuant to Legislative Decree no. 231/2001 of SILGA, is established by resolution of the Board of Directors and remains in office for the period established when appointed.

The appointment within the Supervisory Body is conditioned to the presence of the subjective requirements of good repute, integrity and respectability, as well as the absence of incompatibility with the appointment, such as kinship ties to corporate officers and senior management figures and potential conflicts of interest with the role and duties to be performed.

The following tasks are the responsibility of the Supervisory Body:

- making decisions on significant violations of the Code;

- expressing opinions on the revision of the most relevant policies and procedures, in order to ensure their consistency with the Code of Ethics;
- monitoring initiatives for the dissemination of the knowledge and understanding of the Code, and in particular ensuring the development of ethical communication and training activities;
- periodically reviewing the Code of Ethics.

All the social partners can report, in writing and not anonymously, any violation or suspected violation of the Code of Ethics through the dedicated email to the Supervisory Body of SILGA, which shall analyze the report, possibly listening to the author of the alleged violation.

The Supervisory Body of SILGA acts in such a way as to protect informants against any type of retaliation, understood as an act that could give rise even to the suspicion of discrimination or penalization. Furthermore, the confidentiality of the reporting person's identity is ensured, without prejudice to legal obligations.

4.3 Effectiveness of the Code and consequence of its violations

The observance of this Code is a contractual obligation for the Recipients.

For employees the provisions of article 2104 of the Civil Code shall apply. For executives and members of the governing bodies, as well as external collaborators even temporarily or intermittently connected to the Company, with effect from the adoption of this Code, the obligation to comply with the principles of the Code and the clause of relationship termination due to non-fulfilment deemed relevant shall be included in the contract, or in the entrustment act.

The violation of the rules of the Code damages the relationship of trust with the Company and may constitute a breach of the contractual obligations of the employment relationship or a disciplinary offense, with all legal consequences.

The Company undertakes to establish and enforce, with consistency, impartiality and uniformity, sanctions proportionate to the respective breaches of the Code and compliant with the applicable provisions on the regulation of labor relations.