

ETHICAL CODE PROGEM S.R.L

1. AIM

This document named as Policy (from now on Policy), have the aim to set moral values, clear rules and procedures to follow internally and toward third parties.

2. PARTIES INVOLVED

2.1 Recipients

- Employees (both temporary and permanent)
- Customers
- External and internal consultants
- Goods and services suppliers
- Public administration government authorities
- Any other subject who acts on behalf or for the company both directly or indirectly, permanently or temporarily or anyone who establishes relationships or relations with the company and operate to pursue its objectives.

The recipients of this Policy are required to learn its contents and to respect its precepts. This Policy will be provided, according to what specified below the Management, its representative or a delegate takes care of the effective actuation and the spread of it inside and outside of the organization. Company's employees, other than the per se respect due to the regulations in force and to the dispositions planned by the collective bargaining (National Contract of Employees), undertake to adjust the mode of performance of the working activity to the purposes and the dispositions stated by this document both in intra-company relationships and in the relationships with company's external subjects and, especially, with public and private Administrations, Costumers and other authorities. Absolute necessity of any relations of fruitful collaboration with the company is represented by the respect, from the other recipients, of the principles and dispositions included in this Policy. Therefore, when signing the contracts or agreements with other recipients, the company provides his interlocutors with a copy of this document.

3. BEHAVIOUR PRINCIPLES FOR THE ORGANIZATION

3.1 Human resources valorizations

Progem acts in its company activity respecting the fundamental rights of each person, preserving its moral integrity and ensuring equal opportunity. In the inside, Progem want to keep a peaceful work environment, where everyone can work in the accordance with the laws, principles and shared values; in particular it doesn't tolerate any form of isolation, exploitation or harassment for any causes of discrimination, for personal or work reasons. Is therefore expressly forbidden all type of discrimination based on diversity of race, language, color, faith and religion, political affiliation, nationality, ethnicity, age, sex and sexual orientation, marital status, invalidity and physical aspect, socio-economic condition; are also forbidden concessions of any privileges due to the reasons listed above, notwithstanding what planned by the regulations in force. Progem forbid any disciplinary measure towards those who have legitimately refused a work prestation improperly requested by any subject related to it.

3.2 Company's commitment

Progem, in the awareness of its responsibility, is inspired by the principles included in this Policy, and is committed to direct its own activities towards values of honesty, integrity in the pursuit of business goals, loyalty, fairness, respect of people and rules, mutual collaboration. In particular the administrators take on the commitment to lead the company responsibly, by pursuing the value creation targets.

More precisely the organization is committed:

- to ensure the maximum spread of the Policy with the employees and external collaborators;
- to provide every possible clarification about the interpretation and actuation of the Policy norms and in particular for what concerns its application in the company processes;
- to perform tests in order to any news of violation of the Policy norms and, in case of identified violations, to adopt the adequate sanctions;
- to adopt all the safety measures requested by the technological evolution and to strive so that the physical integrity and the moral personality of the employees is granted.

Progem also grants protection for its own staff and for third parties and the safety of the working environments, by engaging the respect of the legislation on safety at work and promoting the safety of all the places which constitutes the work environment itself, also beyond the explicit obligations. Progem ensures the safeguard of the fair opportunities principle and manages on this base career and compensation advancement, in a continuous and equilibrated accordance with the reference market, undertaking to ensure transparency, seriousness, correctness and clarity on the applied assessment methods. Progem is committed to spread and consolidate a strong culture and corporate conscience, always operating in the respect of the laws in force and applying the best technology available. The principle to which Progem is inspired comes from the will to create, offer and keep an healthy environment inside the company, in order to extend it to the wider concept of preserving the environment for future generations.

3.2 Duties of company functions managers

The behavior of each manager or company function is committed to the values of this Policy and represent an example for its own collaborators. They establish with their collaborators relations geared to a mutual respect and a successful cooperation, by encouraging the development of the sense of belonging to Progem. Employees motivation and the spread of the company values, in order to allow the internalization and the sharing, are essential in this view the commitment to the implementation and the maintenance of correct, valid and inspiring flow of information, capable of give to the employees the awareness of the contribute brought to the company activity by any of the resources involved. Each sector or company function manager supports the professional growth of the resources assigned, keeping in consideration the attitudes of each in the attribution of the works, in order to create a real efficiency in the operative field. Same opportunities are ensured to all to express their own professional potential. Each sector manager or company function pays due attention and, if possible and appropriate, follows up suggestions or requests of its own collaborators, with a total quality view, encouraging a motivated participation to the company activities. More precisely each sector or company function manager is obliged to:

- present with his own behavior an example for its sector or company function employees and direct his employees in the observance of this Policy;

- operate so that they understand that the respect of the norms of this Policy constitutes an essential part to the quality performance of the work;
- report to the Management the news given by the employees or their own detection about possible cases, even doubtful, of violation of the Policy norms.

4 PRINCIPLES OF EMPLOYEES BEHAVIOR

Without prejudice to the law and contractual provisions in matter of workers duties, to employees are requested:

- **Professionalism;** each person carries out its own working activity and its own performances with diligence, efficiency and correctness, using instruments at best and the time disponible and assuming the responsibility connected to the fulfilments.
- **Loyalty;** people are required to have a loyal behavior towards the company.
- **Honesty;** in the field of their own working activity, people of the company are required to know and respect diligently the D. Lgs. n. 231/01 and the laws in force. Honesty represents the fundamental principle for all the company activities, for its initiatives, and represents an essential value of the organizational management. Relationships with stakeholders, to all levels, must be geared to criteria and behaviors of correctness, collaboration, loyalty and mutual respect. In no case the pursuing of a company interest can justify a non-honest behavior.
- **Legality;** The organization is committed to respect all the norms, laws and directives and national and international regulations, and all the practices generally known. Furthermore, it inspires its own decisions and its own behavior in the performance of the function or the assignments.
- **Correctness and transparency;** People don't use for personal purposes information, goods and equipment at their disposal in the performance of the function or the assignment. Each person doesn't accept or exert for itself or for other pressions, recommendations or reports that could create prejudices to the company or undue advantages to itself, for the company or third parties. Each person rejects and doesn't make promises of undue offers of money or other benefits. The company is committed to act in a clear and transparent way, without favoring any group of interest or single individual. Any employee must orientate their own activities, whatever it is the responsibility level connected to the role, to the highest grade of efficiency, according to the operative dispositions given by superior hierarchical levels e must contribute with colleagues e superiors to pursuing the common aim. Any employee who believes that their direct manager wants to induce it to behaviors or acts non ethical or illicit, must immediately warn the company management.

5 USES OF THE COMPANY INFRASTRUCTURE

Any employee is required to grant the maximum respect for the company infrastructure, means, instruments and materials, reporting timeliness to their responsible the eventual improper use of the dotation that they believe other do. It belongs to these categories, for instance plants, places, furniture and furnishings, operational resources and equipment (such as company cars, tools, personal computer, printer, photocopier, server, or other communication tools, such as telephone, fax, e-mail, personal stationery, paper), functionalities offered by the corporate information system (such as company processes, software, Internet access), handbooks, generally. Any employee is required to use the company equipment just for the performance of the working tasks to which they are in charge. It is

therefore strictly forbidden for employees to use the company means, informatic, technical or of any other type, for achieving private aims or interests or in competition with the company activities. Any employee is allowed to use equipment and/or company materials outside the structures just in case of an use for company purpose, such as, for instance activity away in different locations from the habitual, posted working performances, and similar. In all other cases express authorization of their own superior is required.

6 CONFLICTS OF INTEREST

In order to avoid the occurrence of conflict of interest each operation and activity must be taken just and exclusively in the interest of the company and in a lawful, transparent and correct way. Employees must avoid all the situations and activities in which could be manifested a conflict with the company interests or that could interfere with their capability to assume, impartially, decisions in the company interest and in the full respect of the norms of this Policy. Employees are required to avoid interest conflict between the personal and familiar economic activities and the tasks that they cover inside the structure they belong.

Each situation that could constitute or determine an interest conflict must be timeliness communicated to the Management. By way of example but not exhaustive, please note that determines a conflict of interest:

- economic and financial interests of the employee and/or his family exercised in concurrency or in contrast with the company's ones;
- performing working activities, of any type, at customers, suppliers, competitors of the company;
- acceptance of money, favors or utility from people or companies which are or are going to be in business relations with the company. Given the variety of the citations that could emerge, in case of doubts about the occurrence or not of interest conflict, the employees must refer to their responsible to have all the clarification of the case.

7 CONFIDENTIALITIES

Any employee is required to keep the strictest and absolute confidentiality on all the information related to the company and/or to its employees of whom they are aware in virtue of their working activities. This is in order to avoid the divulgation of confidential information related to the organization, the production processes and any other information whose divulgation could cause damage for the company. In particular the staff must:

- acquire and process only the data necessary and appropriate for the purposes directly attributable to the function performed;
- acquire and process the data just inside specific processes;
- maintain the data itself in order to be prevented from other non-authorized to become aware of them;
- communicate the data itself in fixed processes and/or on explicit authorization of the superiors;
- make sure that there are no constraints to the possible divulgation of the information related to third parties connected to the company by a relation of any nature and, where appropriate, obtain their consent.

Before access to sensitive/confidential data of Progem, employees, supplier and/or third parties must sign the non-disclosure agreement as established by the management.

8 BEHAVIOURS IN THE PROFESSIONAL ACTIVITY AND IN THE MODE OF OPERATION

The company in all the business relations is inspired by principles of loyalty, correctness, transparency, efficiency and competition in the market. Company employees and collaborators, even external, whose action could, even indirectly, be referred to Progem, must follow correct behavior in the business and in the relations with the customers, regardless the importance of the business treated.

Is not allowed to offer money or gifts to managers, officials or employees of customers or their relatives, except in the case of gifts or utilities of modest value. In any case this type of expense must be specifically authorized and carefully documented and identified.

Any employee who is offered or receives donations or gifts from third parties, not attributable to normal acts of commercial courtesy, must immediately inform their supervisor. In case of Christmas gift or other intended for the particular employee, this gift must be brought to the attention of the Management which will express their own valuation on the possible acceptance. Even the external collaborators not employed (consultants, or eventual services providers) must follow the principles contained in this Policy. Company work must be carried out with professionalism, reliability, precision, consistency and courtesy. Total sharing of knowledge and a constructive environment aimed at mutual group cooperation, both within the group itself, and open to welcoming new initiatives from outside. Continuous personal training must be set among one's main objectives, acting to progressively increase one's knowledge in the workplace and fully sharing those already acquired. The work must be carried out in a professional and competent manner, with assiduous accuracy, politeness and courtesy, always verifying the work before the delivery of the job carried out and possibly with detailed written documentation. An assignment for whom it is not qualified must never be accepted. Should anybody find itself in difficulty, it must be reported promptly, in order to be accompanied or possibly trained. It must operate in an honest and transparent manner in the full respect of this Ethical Code, of other people and the company itself, in the only interest of the costumer.

9 RESPECTS OF REGULATION ON FREE COMPETITION

Without prejudice to the regulations on free competition, all the employees are required to act in order to achieve the best result in the competition. It is against to company policy to have an exchange of information and/or agreements, arrangements with any competitors about prices, prices policy, discounts, promotions, condition of sale, cost of production: the company doesn't want in any case restrict or distort free competition.

Is therefore forbidden any form of agreement, direct or indirect, which is made or entered into with competitors in order to disrupt the progress of public supply tenders. Each employee or collaborator who works in the commercial activity is therefore invited to submit to the management any doubt or initiative that may fall within the cases sanctioned by law, in order to operate in full compliance with the rules.

10 RELATIONS WITH SUPPLIERS

In procurement relationships and, in general, the supply of goods and/or services, employees are obliged to:

- follow the internal procedures for the selection and the management of the relations with the suppliers;
- obtain the supplier collaboration in ensuring the continuous satisfaction of customer needs in terms of quality, cost and time of delivery;
- observe and enforce the contractual conditions planned and keep a clear and open dialogue with the supplier, according to the commercial agreements;
- inform the management of all the problem raised with a supplier in order to evaluate the eventual risks.

11 RELATIONS WITH CUSTOMERS

Customer is the heart of the company activity: first of all, work is carried out to guarantee the growth of the customer itself. By customer is meant anyone who uses the services and company works in any legal form recognized. What estimated has to be carried out in a complete, precise and punctual manner. The product given to the customer must always satisfy all the requirements of the order/contract signed by the parties. It is mandatory for the company employees to:

- observe the internal procedures for the management of the relations with the customers;
- give accurate and exhaustive information about the products and services offered so that to allow customer to make informed decisions;
- restrain to give false information and use the maximum transparency in the communication.

12 RELATIONS WITH PUBLIC INSTITUTIONS

In the relations with the Public Administration to any employee which, in virtue of the tasks performed inside the company, is in charge of function of request, management and/or administration of contributions, financings or fundings obtained from the Government or any other public corporation is required, within the limits of their functions, to ensure that the relationship above is intended for the purposes by which they are requested and keep, anyway, an accurate documentation of every operation, to ensure the maximum transparency and clarity and the related money movement.

13 RELATIONS WITH THE MEDIA

The company and all its employees and collaborators, including external collaborators, must ensure that the image of Progem appears in keeping with the prestige and the importance of the role that the company has in the range of service companies in the area. Relations with media are reserved exclusively to the specifically delegated functions and to the company responsibilities and are agreed in advance. Employees cannot provide information or opinion and issue statements on behalf of the company to representatives of the media (such as press, television, radio, etc.), nor undertake to release them without the necessary delegation of the competent functions. In no way or form employees can offer payment, gifts or other advantages aimed to influence the professional activity of the media.

14 INTERNAL CONTROLS

It is the company's policy to spread throughout all levels not only the existence and the importance of controls but also a mentality oriented to their performance. With the internal control Progem intends to pursue general purposes of efficacy and efficiency of its operations, of protecting company's goods and resources, in accordance with the laws, the regulations and the internal procedures of reliability of qualitative, accounting and financial data. Each employee has therefore, as part of its activities, the precise responsibility to create, maintain and track the proper functioning and the efficacy of the internal control system.

15 ACCOUNTING TRANSPARENCY

Each operation and transaction must be correctly registered, authorized, verifiable, legit, coherent and fair. All actions and operations must have an adequate registration and it have to be possible the verification of the decision, authorization and performance process. Accounting transparency is based on accuracy, completeness and authorization of the base information for the related accounting registration. Each employee is requested to cooperate so that the operational transitions are correctly and promptly represented in the accounts. A suitable supporting documentation of the activities carried out is conserved for each operation in order to allow easy bookkeeping, the individuation of the various responsibility levels and the accurate reconstruction of the operation, even to reduce the probability of misinterpretation. Each registration must exactly reflect what is in the support documentation. All the documentation must be promptly and systematically stored so that in any moment the related accounting framework can be reconstructed: other than the storage in the suitable paper holders, if required, document should be memorized in the electronic devices from where they could be easily tracked and visualized with the suitable document software. Anyways all employees must ensure that the documents related to their own activity may be easily traced and ordered according to logical criteria. In any case, the company payments to be paid must be exclusively commensurate with the service and methods indicated in the contract and cannot be made to a person other than the contractual counterpart. The use of company funds for illegal or improper purposes is strictly prohibited. Payments not based on suitably authorized corporate transactions or illegal form of remuneration should be paid to no one and for no reason. Any neglect, omission or falsification of which employees become aware of, must be promptly reported to management.

16 COMPANY POLICY VIOLATION

16.1 Disciplinary measures

Unethical or unlawful behavior would result in a damage of the fiduciary relationship for the company with very serious damage to its image, integrity, reputation and credibility. Employees and collaborators are requested to respect this Policy in all its aspects. The observance of the regulations of this Document is therefore an essential part of the contractual obligations of workers employed (employees and collaborators) in accordance and for art. 2086 e 2104 of C.C. The violation of the dispositions of this document by the workers employed (employees and collaborators) constitutes a breach of the contractual obligations and could determine, as applicable, the application of the penalties and of the disciplinary measures stated by the applicable collective agreement, the termination of employment, compensation for the damage. Disciplinary measures may include, at the organization sole discretion, verbal or written warning, suspension or the immediate termination of the employment or business relationship, or any other disciplinary measure deemed appropriate for the circumstances. Some violations of this policy could also be prosecuted civilly or criminally by the administrative or other competent authorities.

16.2 FINAL CONCLUSIONS

This Policy doesn't constitute, or imply in any form a condition of employment or an employment guarantee. The employment relationship could be terminated according to the terms of it and for the applicable regulations. The norms included in this Ethical Code represent neither an exhaustive list of the norms applied by Progem, nor an exhaustive list of the behavioral acts which may bring to disciplinary measures, including dismissal. This document is applied to all the employees which will be hired from now on, while, for whom previously hired it will be approved by them through specific acceptance.