



Axxam SpA

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CODE OF ETHICS

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1. INTRODUCTION

1.1 PREMISE

Axxam S.p.A. (hereafter “Axxam” or “the Company”) adopts the present Code of Ethics (hereinafter, “the Code”) as a “charter of fundamental rights and responsibilities” through which the Company identifies and clarifies its responsibilities towards its internal and external stakeholders, as well as the ethical values which are behind any of its strategic choices and with which all of its Executives (hereinafter also “the Management”), Employees, Collaborators (hereinafter, collectively, the “Personnel”) as well as the members of its Corporate Bodies (the Board of Directors and, as far as of its competence, the Board of Statutory Auditors), the connected companies IMAX Discover GmbH and HIT Discovery Constance GmbH (hereinafter, collectively, the Connected Companies) and all Third Party Recipients (e.g., consultants, agents, proxy holders, suppliers, contractors, commercial and scientific partners) must comply in performing their duties and obligations.

The variety of scientific and business contexts within which Axxam operates, and its specific field of activity, require the unreserved commitment of all Personnel, in order to ensure that the Company activities are conducted in full compliance with the law, within a framework of shared knowledge, fair competition, honesty, integrity, fairness and good faith, respecting the legitimate interests of all of its customers, employees, scientific business and financial partners, as well as all of its stakeholders.

The present Code of Ethics should bind and inspire the Corporate Bodies, the Personnel, and the Third Party Recipients (hereinafter, collectively, “the Recipients of the Code” or “the Recipients”) to adopt and to comply with the herewith highlighted principles. Any person who works within the Company organization or that, in different ways, is actively involved in the achievement of its objectives, without exception, must embody the importance of observing and ensure full compliance with the standards of the Code, as part of its duties and responsibilities.

In no way, the belief of acting for the benefit of the Company may justify the adoption of behaviours that conflict with these principles.

Any discrimination based on race, nationality, sex, age, physical disability, sexual orientations, political opinions, or religious beliefs, as well as all forms of physical or psychological harassment must be absolutely avoided.

All of the Recipients of the Code, within their role and responsibilities, must ensure the utmost professionalism and commitment to carry out the assigned tasks, and effectively contribute to the achievement of the Company objectives.

Besides being an integral part of the Organization, Management and Control Model (hereinafter “the Model”), called for by Legislative Decree 231/2001, as amended, (hereinafter “the Decree”) adopted by Axxam, the Code of Ethics has the following functions:

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- a legitimizing function, by explicating and clarifying the Company's obligations and responsibilities with regard to stakeholders;
- a cognitive function, by stating general principles and rules of behaviour, and thus allowing the Recipients to recognize any unethical conduct and to identify the correct way to deal with their duties, responsibilities, powers and obligations in the performance of their role;
- a preventative function: by codifying the ethical principles and the standards of conduct which all the Recipients must comply with, Axxam explicitly states its genuine and effective commitment to securing legitimacy in the conduct of its business activities, with particular reference to the prevention of crimes and offenses that, pursuant the Decree, may lead to a specific administrative liability for the Company;
- an incentivizing function, by requiring full compliance with the its principles and obligations, thus contributing to developing ethical awareness within the Company, and strengthening the reputation of the latter and the relationship of trust with its stakeholders. The reputation itself of Axxam's Personnel depends on the compliance with the principles of the Code.

1.2 RECIPIENTS OF THE CODE

As already highlighted, the rules of the present Code apply, with no exceptions whatsoever, to Axxam's Corporate Bodies and Personnel as well as to any Third Party Recipient, wherever they may operate.

First and foremost, it is the task of the Corporate Bodies and the Management, to adopt and implement those values and principles highlighted in the Code, by accepting the relevant responsibilities with regards to their subordinates, as well as to the Company's clients and stakeholders. In fact, the existence of written codes, and the evidence that all personnel has received and understood them, it does not by itself ensure thorough compliance.

Fulfilment of the rules of behaviour is not intrinsic to the existence as such of codes, but rather secured by the example, the conduct and the actions of the Management. Hence the key role of the Corporate Bodies, whose members are responsible for the effective enacting of the principles of the Code within the sphere of their functions and duties. All members of the Board of Directors are specifically obligated to abide by the principles of the Code in setting the strategic, scientific and business goals of the Company, in proposing and carrying out investments, and in any decision which impacts on the assets of Axxam, the profits of its shareholders and the well-being of its Personnel who, through their work, contribute to the success of the Company and the entire organization.

In addition to duly observing the laws and regulations in force, in all of the countries in which it operates, the Company shall rigorously adhere to the objectives, the principles and the requirements set forth in the Code. Such a commitment is binding not only for all of Personnel, but also for any external third party which enjoys a business relation with Axxam (Third Party Recipients).

Axxam shall not tolerate breaches or violations of these principles, and shall stand against any form of material and moral corruption that may undermine its integrity, by adopting an adequate organization aimed at preventing the infringement of the



requirements of the Code, and by monitoring their factual observance and due implementation.

1.3 COMMITMENT AND RESPONSIBILITIES OF AXXAM

Axxam pledges to:

- guarantee thorough distribution of the Code to its Personnel and all of its Third Party Recipients;
- ensure constant updating of the Code with regards to any changes in the Company's organization as well as in the laws or regulations in force;
- ensure all possible tools in order to allow full understanding and the utmost clarity with regard to the interpretation and implementation of the criteria of conduct contained in the Code;
- carry out detailed inspections with regard to any reported violation of the Code, by evaluating all facts and circumstances and by adopting appropriate sanctions, if the violation is verified.

1.4 OBLIGATIONS FOR THE COMPANY'S ORGANIZATIONAL UNITS

The persons in charge of an Apical Position or who are responsible for each of the Company's organizational units, or functional areas, are required to:

- provide through their own conduct a proper example for those who are subject to their direction or control and all of their colleagues;
- provide all Employees and Collaborators with adequate guidance and support in order to allow full compliance with the Code;
- seek to ensure that all of the Company's Personnel properly understand that the adherence to requirements of the Code is an essential part of the quality of their job performance;
- carefully choose, within their powers and responsibilities, their Employees and Collaborators, so as to avoid to delegate any task to people who are not fully reliable in terms of their commitment to comply with the provisions of the Code;
- promptly notify their hierarchical referent, or the CEO or the Supervisory Body any information directly acquired or reported by their staff, regarding any possible violation of the Code;
- timely introduce and implement appropriate corrective measures whenever necessary;
- prevent any kind of reprisal towards those who report any violation of the Code.

1.5 OBLIGATION FOR PERSONNEL

All Personnel (Executives, Employees and Collaborators) must have an adequate knowledge of the Code and the related provisions, as well as of the internal and external criteria and standards that regulate the activities they carry out, on a daily basis, as part of their individual functions or within their job descriptions.

Personnel are also required to:

- diligently comply with the rules of the Code, abstaining from any conduct or behaviour that is in conflict with it;
- consult with their hierarchical referent in case of need for clarification as to the interpretation and implementation of the standards contained in the Code;

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- immediately report to their hierarchical referent or to the Supervisory Body any information about possible infringements of the Code, and any requests they have received to violate they themselves the latter;
- provide maximum collaboration in ascertaining any possible violation of the Code.

1.6 VALIDITY OF THE CODE WITH REGARD TO THIRD PARTY RECIPIENTS

With regard to Third Party Recipients, all Personnel, within the responsibilities they are assigned, will take steps to:

- deliver adequate information on the obligations and duties provided for by the Code;
- insist upon compliance with those obligations and duties that directly pertain to their activities;
- secure an adequate control with regard to the compliance with the Code by third parties, promptly reporting any breach, in accordance with the provisions set forth at point 1.5.

1.7 CONTRACTUAL VALUE OF THE CODE OF ETHICS

The provisions of the Code of Ethics constitute an integral part of Personnel contractual obligations, in accordance with article 2104 (Duty of Care) and article 2105 (Duty of Loyalty) of the Italian Civil Code.

Any conduct which is contrary to the provisions of the Code shall be assessed and punished by the Company, in accordance with the current regulations, and with the application of those sanctions that the gravity of the facts may justify. At this purpose, a specific Disciplinary System has been established.



2. GENERAL PRINCIPLES

2.1 COMPLIANCE WITH THE LAW

Among Axxam's imperative principles is the respect for the Laws and Regulations in force in all countries in which the Company operates.

This obligation also applies to consultants, suppliers, clients and all those who enjoy a business relation with the Company (Third Party Recipients). Axxam shall neither initiate nor pursue any of such relations with those who do not intend to adhere to this fundamental principle.

In no case shall the pursuit of corporate interests justify or render acceptable any conduct that goes against the provisions of the law.

Axxam is fully committed to carrying out appropriate activities to inform the Recipients of the Code, and constantly raise their awareness, with regards to the principles and provisions of the Code itself, and its application.

2.2 HONESTY AND INTEGRITY

Considering their professional relationship with Axxam, and with regard to any other business relationship or activity, whether within or outside the Company, all of the Recipients of the present Code must comply with the law, the professional standards and the personality of each individual, in accordance with the principles of the Code of Ethics.

The conduct of any relationship, at all levels, must be guided by the criteria of transparency, fairness, honesty and loyalty, and must avoid any form of discrimination based on age, sex, race, nationality, personal and social conditions, religious or political beliefs. In no way the Company tolerates the violation of this principle, and discourages in all ways any type of corruption.

2.3 RELATIONS WITH THE PUBLIC ADMINISTRATIONS AND INSTITUTIONS

With regard to any relation or dealing with the Public Administrations and the national, local or foreign institutions, it is strictly forbidden to offer or accept any item, service, or sum or other benefit, as a counterpart for acts which are contrary to, or do not conform to, one's office.

In those countries where it is usual to offer gifts to customers as a sign of courtesy, such gifts must be of appropriate nature and value, and not conflict with the provisions of the law locally in force at that time, and in no case be interpreted as a counterpart for favours or concessions. In each case, such expenses must be duly authorized by the hierarchical referent of the giver, and appropriately documented.

2.4 MANAGEMENT AND CONDUCT OF OPERATIONS

Each of the Company's operations and transactions must be legitimate, authorized, properly recorded, consistent, fair and verifiable. Axxam promotes and encourages the use of all tools necessary and appropriate to ensure that any act done in the interest of the Company is consistently recorded, in order allow the tracing and checking of the relevant decision process and authorization, as well as of its

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execution. Management and conduct of operations must comply with the principles of fairness, affordability, transparency, efficiency and effectiveness.

2.5 CONFLICT OF INTEREST

All Personnel, in the exercise of their functions, should not take any decision which is in conflict with the interests of the Company, or incompatible with the duties of their office. Notably, all of the Recipients of the Code – including the members of the Corporate Bodies - must avoid any conflict of interest between their personal and family economic activities and the tasks of which they are charge of, within the Company organization. Any situation which is in conflict with the above principle must be communicated immediately to one's hierarchical referent and to the Supervisory Body.

2.6 FAIRNESS

In its relations with the stakeholders (e.g., tenders, litigations, exams and competitions, etc.) the Company shall avoid any form of discrimination based on age, gender, sex, health, race or nationality, political opinions and religious beliefs, and shall not take into account any external or internal recommendations or suggestions, thus securing the full observance of the principles of fairness and equity, in accordance with any legal and contractual obligations and with the specific provisions of this Code of Ethics.

2.7 CONFIDENTIALITY OBLIGATION AND PROTECTION OF INFORMATION

Axxam protects the confidentiality of all of the information and data in its possession, operating in compliance with the laws and regulations in force. All Personnel, at all levels, are obliged to respect this principle, even after the termination of their employment relationship with the Company.

The confidentiality obligation also binds those Third Party Recipients with whom the Company has a contractual relation - or a relation of any other nature - through specific contractual clauses or confidentiality agreements.

Axxam adopts all appropriate measures to ensure that the management, at all titles, of any information, inside or outside the Company, complies with the laws and regulations in force and with the principles of transparency and fairness.

Any information for release to the public and the scientific community must be clear, truthful and not misleading, such as to allow the recipients to make informed decisions. The Company identifies and indicates the channels, the forms and the persons in charge for any communication activity from, or towards, third parties

2.8 PROTECTION OF CORPORATE ASSETS

In pursuing of its corporate purpose, Axxam promotes the protection and the wise and diligent use of the assets, the properties, the equipment and the resources of the Company, in accordance with the principles of fairness, economy, efficiency and effectiveness.

2.9 CORRECT AND RELIABLE BOOKKEEPING

Axxam requires all of the recipients of this Code of Ethics to fully comply with the principles and the rules for the drafting and preparation of the annual financial statements and the interim reports of the Company, as well as with the standards and criteria of correct accounting.

All data and information, as well as all records relating to the management of the Company, shall be based on and meet the highest transparency, accuracy and completeness criteria, in order to allow a faithful representation of its managing activities as well as of its asset and financial position.

2.10 BEHAVIUR AT THE WORKPLACE

All Personnel must conform their activity to the policies and procedures in force, in compliance with the rules established by law and the contract of employment.

2.11 INDIVIDUAL RESPONSIBILITY

All Personnel is responsible for the actions taken in the course their working and professional activity. In addition, those persons who hold an Apical Position are also responsible for monitoring the activities of all those who are subject to their direction and control.

2.12 HEALTH, SAFETY AND WORKING ENVIRONMENT PROTECTION

Safety and protection of the working environment are among Axxam's primary values. The long-term goal is to strive for cancelling, as far as reasonably possible, the number accidents at work and their impact on the working environment, by leveraging on technological investments, adequate proactive policies and the continuous training and information of Personnel.

For this purpose, Axxam is duly committed to stimulate ever more its Executives, Employees and Collaborators to factually comply with the comprehensive legislation on health and safety at workplace, with specific reference to the Testo Unico sulla Sicurezza sul Lavoro (Consolidated Regulation on Safety at Workplace), ex Legislative Decree 81/2008.

Axxam is also committed to privilege full compliance with the safety regulations in force, compared to its short term economic and productive needs. For this purpose, not only the Company allocates a substantial part of its financial resources to the protection of the working environment, with a specific focus on Health and Safety of all of its Personnel, but is also committed to verify that any changes of its production schedules or organizational methods, are fully consistent with the legislation in force.

2.13 PROTECTION OF PERSONAL DATA

Axxam ensures the protection of personal data related to its Executives, Employees and Collaborators, by adopting specific standards with regard to any information requested, and their processing and storage criteria.



Any enquiry with regard to the employees' ideas, preferences, attitudes and their private life in general is strictly forbidden. Without prejudice to the cases provided by law, this prohibition includes the disclosure of any personal information without the prior consent of the person involved .

2.14 RESPONSIBILITY IN BUSINESS

The Company endeavours to secure that the conduct of business is fully compliant with the principles of integrity and transparency. In particular, all transactions, negotiations, and business practices should be carried out in respect of the highest fairness criteria, thus excluding any form of corruption or partiality, as well as of the standards of completeness, transparency of information, and the principles of legitimacy - not only on a formal basis - with reference to the existing rules and procedures.

2.15 SCIENTIFIC RESPONSIBILITY

In pursuing its scientific goals, Axxam is highly committed to respect the principles of integrity and the standards adopted internationally. As such, all of the scientific strategies and approaches, as well as any alliances and collaborations with third parties, and the conduct of all of the Company's research activities must be carried out in respect of the highest fairness criteria, thus excluding any form of corruption or partiality, as well as of the standards of completeness, transparency of information, and the principles of legitimacy - not only on a formal basis - with reference to the existing rules and procedures.

2.16 DEVELOPMENT OF PROFESSIONAL SKILLS

The Company is committed to developing the capacities and skills of all of its Personnel, by adopting adequate policies based on equal opportunities and reward for merit, and by considering professionalism as a guarantee for the success of the entire corporate community and the necessary condition for the achievement of individual goals. Therefore, candidate search, recruitment and hiring, as well as career development practices are based solely on an objective evaluation of the quality of work, with no discrimination whatsoever.



2.17 STRATEGIC VALUE OF HUMAN RESOURCES

Human resources are considered of primary importance in the achievement of the Company objectives, by virtue of the professional contribution offered by each individual within the sphere of a relationship based on loyalty, correctness, reciprocal trust and respect.

Axxam upholds and endorses the value of Human Resources, by supporting professional growth, by avoiding discrimination of any nature, by securing equal opportunity and by offering working conditions that are respectful of individual dignity, as well as of a safe and healthy work environment, in accordance with the current regulations and the workers' rights. Relations between the various hierarchical levels (corresponding to the different levels of responsibility within the Company) must be based on the principles laid out above.

The Company does not practice and does not admit any form extra-contractual labour relationship.

With regard to the management of Human Resources, the Company grants all Personnel equal opportunities, guaranteeing equal treatment based on merit, with no discrimination whatsoever.

Axxam also strives to defend the moral integrity of Personnel, shielding against illicit influences or excessive distress. Hence the Company safeguards Personnel from acts of psychological violence, and opposes any discriminatory or harmful approaches or behaviours with regard to the individuals, their beliefs or their preferences. Any form of sexual harassment or intimidating behavior and hostility in internal and external labour relationships is also strictly forbidden.

3. CRITERIA OF CONDUCT

In application of the General Principles set out above, Axxam promotes the following criteria of conduct, it being understood that all of the Company activities should always be based on the respect of the law and the principle of good faith.

3.1 CRITERIA OF CONDUCT TOWARDS SUPPLIERS

The Company seeks the greatest possible competitive advantage in procurement processes, but always within a framework of reciprocal loyalty, transparency and cooperation. The Company grants equal opportunities to all suppliers.

In any case, if a supplier, in carrying out activities for the Company, adopts behaviors that are not in line with the general principles of the Code, the Company is legitimized in taking suitable measures (within the sphere of the law in force), including the preclusion of further collaboration.

The Company bases relations with suppliers on said suppliers' integrity and independence; the stipulation of a contract with a supplier must always be characterized by the maximum clarity avoiding, whenever possible, any form of exclusivity.

All contractual relations with suppliers must be documented and traceable.

Furthermore, the Company contractually reserves the right to implement any suitable measure (including termination of the contract) if the supplier, in carrying out activities in the name or on behalf of the Company, violates regulations of law and/or of the Code.

3.2 CRITERIA OF CONDUCT WITH REGARD TO THE SELECTION OF PERSONNEL AND DURING THE EMPLOYMENT RELATIONSHIP

The selection of Personnel is done according to the principles of equal opportunity, and without discrimination with regard to the private sphere and opinions of the candidates.

Personnel are hired with regular and formalized employment contract: undeclared forms of employment are not tolerated.

Upon employment, each Executive, Employee or Collaborator receives accurate information with regard to:

- the characteristics of the functions and tasks to be carried out;
- the regulatory and salary conditions, as regulated by the CCNL (National Collective Bargaining Agreement);
- the standards and procedures to be followed, in order to avoid any possible health risk associated with their work.

Such information is provided to them in a way that their acceptance of the assignment is based on the effective understanding, and the full awareness thereof.

All of Human Resources policies are made public to Personnel by the communication means and channels usually adopted by the Company (e.g., organizational charters, communications by the Company's management, etc.).



The Company's Management makes the best of and enhances the professional figures and skills available within the organization, by adequately encouraging and fostering the professional growth of all Personnel. At this regard, Axxam considers it crucial that the referents of the different units within the Company, share and discuss any strengths and weaknesses of their Employees and Collaborators directly with them, so that the latter can take the appropriate steps in order to further improve their skills, also through targeted training programmes.

Each hierarchical referent is required to optimally manage the working time of its Employees and Collaborators, by requiring performance levels which are consistent with their role and with the working plans of the entire organization.

Requests on the part of hierarchical referents for services and personal favours, or any behaviour that may be construed as a violation of this Code of Ethics are considered to be an abuse of authority.

The Company promotes the involvement of Personnel in improving the organization of the working processes, by envisioning specific initiatives of participation and discussion, which are functional to encouraging the sharing and the achievement of corporate objectives. Personnel shall participate in these initiatives with an open minded and collaborative attitude.

All Personnel are expected to act in good faith, in order to meet their contractual obligations and the provisions of the Code of Ethics, and ensure the required performance. They also need to be conscious, to take into due consideration and implement all Company policies and provisions with regard to the protection of data and information, thus securing the integrity, confidentiality and availability of the same.

Personnel are also required to draw up their working papers in a clear, objective and exhaustive manner, in order to allow any controls by their colleagues, as well as by any internal supervisor or duly authorized third party.

3.3 CRITERIA OF CONDUCT WITH REGARD TO THE PROTECTION OF THE WORKING ENVIRONMENT AND THE INDIVIDUAL SPHERE OF THE EMPLOYEES

Axxam strives to create and maintain a working environment that guarantees full respect of individual dignity, and in which the personality, beliefs or preferences of the individuals cannot possibly lead to any form of discrimination and conditioning, or to any tortious acts.

The Company is committed to the protection of personal data and any other information relating to the private sphere of its Executives, Employees and Collaborators.

Axxam is committed to ensuring that in no way, in the course of their working relation within or outside the Company, any of its Executives, Employees and Collaborators will be exposed to violence, threats, reprisal, abuse of power, or any form of exploitation of a situation of physical or psychological inferiority or, in other words, a situation of necessity. The Company disapproves and hinders any form of harassment, including sexual.



3.4 CRITERIA OF CONDUCT WITH REGARD TO HEALTH AND SAFETY AT WORKPLACE

Axxam shall endeavour to spread a culture of safety at the workplace, by developing risk awareness and promoting responsible behaviours by all Executives, Employees and Collaborators. The Company is primarily committed to the adoption of preventive measures, in order to preserve Personnel's Health and Safety, as well as to protect the Company assets.

All Executives, Employees and Collaborators must contribute to Health and Safety management, by constantly observing the standards and regulations in force, and shall not expose their colleagues to any risk of damage for their health or physical safety.

3.5 CRITERIA OF CONDUCT WITH REGARD TO THE PROTECION OF COMPANY ASSETS

In order to preserve the Company assets, all Executives, Employees and Collaborators are expected to act and to perform their duties in a diligent and responsible manner.

In particular, each Executive, Employee or Collaborator shall:

- use with care and prudence the assets that have been entrusted to them;
- avoid any inappropriate use of the Company assets, which could cause damage or reduce efficiency, or otherwise be contrary to the interests of the organization;
- avoid any improper use of the Company assets, for purposes unrelated to the individual tasks and duties, particularly if such a behaviour can go to the detriment of the image and dignity of the Company .
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All Personnel is responsible for safeguarding the Company resources they entrusted with, and have a duty to inform their hierarchical referents of any damages or harmful events.

3.6 CRITERIA OF CONDUCT TOWARDS THE PUBLIC ADMINISTRATION AND INSTITUTIONS

The Company's relation with all kind of public bodies and institutions are governed by principles of transparency, uprightness, impartiality and independence, and shall be managed solely by the formally delegated corporate functions.

In no way, Axxam interferes with the activities of any public or political institutions, by encouraging third parties interests in order to receive benefits of any nature.

It is therefore forbidden offering money or gifts (with the exception of those whose modest value is such as not to jeopardize the integrity or the reputation of the parties) to the executives, the officers and the employees of the Public Administration, and to their relatives, whether Italian or foreigners, as well as entering into any consulting, sponsoring or assignment relationship with them, when this is clearly intended to obtain any improper advantage.



The Company considers as acts of corruption and bribery both the illicit payments directly to single individuals or to legal entities (including their employees) in Italy, as well as those made to any person acting on their behalf, in Italy or abroad.

With regard to any relations with the Public Administration or with the representatives of a public establishment, it is forbidden to offer or accept any sum, gift, service, benefit, of whatever amount and value, for the execution of acts either contrary to or consistent with one's offices and duties.

In any relation with the Public Administration (e.g., requests of information, applications, negotiations), the person in charge shall refrain from influencing the functionaries who act on behalf of the Public Administration, in their decisions.

In case, Axxam is represented towards the Public Administration by a third party, the latter and its employees and collaborators shall comply with the same criteria which apply to the Personnel of the Company. Furthermore, the Company cannot be represented by third parties, when the collaboration with these can connote the hypothesis of a conflict of interest.

In particular, and without limitation, in dealing with the representatives of Italian or foreign public institutions and with the Public Administration in general, it is forbidden to:

- promise or grant any payment of money for any purpose other than institutional;
- promise or grant any preferential treatment in the recruitment or hiring of personnel, in the choice of suppliers and in the disclosure of any information and document;
- produce false or altered documents and data, or omit the any relevant information, in order to obtain grants, subsidies, loans, concessions, permits, licenses or any other administrative act from the State, the public bodies or the European Community;
- allocate grants, subsidies, or any public funding to purposes other than those for which they were obtained;
- illegally access the Public Administration's information system, in order to obtain, convey or modify any information to the benefit of the Company.

3.7 CRITERIA OF CONDUCT TOWARDS THE SUPERVISORY AUTHORITIES

The relationship with any national and foreign public Supervisory Authorities is driven by the highest cooperation, transparency and fairness criteria. Axxam fully and diligently fulfils its obligations in respect of such Authorities, and actively collaborates with them in the course of any inspections.

3.8 CRITERIA OF CONDUCT TOWARDS JUDICIAL AUTHORITIES

In any legal proceedings, Axxam is represented before any court or jurisdiction courts by its legal representatives who shall act in a fair and transparent manner, availing themselves of experienced professional, of exemplary honesty and ethics.

In no way, the importance of the lawsuit can justify the direct or indirect exercise of undue pressure (in any form exercised or attempted), aimed at inducing the Judicial Authorities to grant the Company any improper advantage, in the evaluation and the decision of the case.

3.9 CRITERIA OF CONDUCT TOWARDS UNION AND POLITICAL ORGANIZATIONS

Axxam shall refrain from any direct or indirect pressure on political parties or their members. Accordingly, the Company does not make contributions to political parties or political organizations or to their representatives or candidates, and does not sponsor any convention or event for the sole purpose of political propaganda, either in Italy or abroad.

In special cases, however, Axxam may support, even financially, the organization of specific events or projects when all of the following conditions are simultaneously satisfied:

- when the aforesaid events or projects are lawful;
- when their purpose is consistent with the mission of Axxam
- when the allocation of all of the economic and financial resources is clearly and transparently documented;
- when Axxam's active involvement in such events or projects is explicitly authorized by the responsible Company functions.

In any case, any relationship of the Company with political parties and their members must be based on criteria of legality, transparency, integrity and impartiality.

3.10 CRITERIA OF CONDUCT WITH REGARD TO ENVIRONMENTAL PROTECTION

Axxam is aware of the need for sustainable development of economic activities, and undertakes to contribute to a better protection of the environment and of natural resources, with the specific intent to comply with the standards listed below:

- carry out its activities by constantly engaging in the prevention of pollution;
- secure compliance of all Company activities with the laws, regulations and requirements on environmental matters, at the regional, national and international level;
- pursue the continuous improvement of environmental performance, through the setting of specific goals and plans, and taking into account the professional profile of all persons involved within or outside the Company organization, as well as of the changes in the law and regulations, of the technical opportunities and of the economic environment;
- develop and disseminate a culture in environmental protection among Personnel and any third party contractor, partner or suppliers of the Company, in order to make them aware of the importance of managing these aspects as an integral part of their activities;
- prevent accidents by using, or by building, plants and facilities which comply with the safety standards in force, and by developing and maintaining plans and procedures to deal with any possible emergencies, in cooperation with the appropriate services, the competent authorities and the local community;
- periodically review the environmental policy of the Company, in order to keep it up to date and consistent with the current standards, and ensuring its appropriateness to the nature, the size and the environmental impact of Axxam's activities.

3.11 CRITERIA OF CONDUCT WITH REGARD TO THE ACCOUNTING PROCESS

Any Company transaction must be properly recorded so as to allow to verify *ex post* the relevant decision making and authorization processes, as well as their implementation.

Each operation should be supported by adequate documentation so as to allow to determine, at any time, its nature and reason why, and to identify the persons who authorized, carried out, recorded and verified the transaction.

Accounting records must be kept in an accurate, complete and timely manner, in accordance with Axxam's accounting procedures, in order to allow a truthful representation of the asset and financial situation of the Company and its business activities.

All Executives, Employees and Contractors are required to conscientiously contribute to the Company's accounting process, by timely providing complete, clear and truthful data and information with regards to the activities they are responsible for.

The term "accounting", or "accounting records", refers to all documents (including the internal notes for reimbursement of expenses) which represent in figures all facts and events related to the management activities of the Company.

The corporate financial statements and any other communication required by the law, or by any particular regulation, must be clearly drafted, so as to truly and accurately reflect the asset and financial situation of the Company.

3.12 CRITERIA OF CONDUCT WITH REGARD TO CORPORATE MATTERS

Any mandatory notification and communication, including any filing with the Companies' Registrar, shall be done by the duly authorized and empowered persons, in a timely and truthful manner, and in full compliance with the regulations in force.

It is expressly forbidden to hinder or obstruct any auditing activities legally attributed to the Shareholders, the Corporate Bodies and the External Auditors, by concealing documents or by putting in place any other form of deceit.

Fictitious or, otherwise, fraudulent conducts, intended to determine false majorities in the Shareholders' Meetings, are expressly forbidden.

It is explicitly prohibited to directly or indirectly return, through any covert behaviour, the contributions made by the Shareholders, or to release them from the obligation to make said contributions, except in the cases of a legitimate reduction of the Company's share capital.

It is expressly forbidden to distribute profits or advance on profits not actually made, or intended to capital reserve, as well as to distribute unavailable reserves.

It is explicitly prohibited to reduce the share capital, as well as to perform any merger or spin-off of the Company, which would result in a breach of the creditors' rights.

It is expressly forbidden to establish and fictitiously increase the Company's share capital by means of assignment of shares or interest for less than their nominal value, by means of mutual subscription of shares or interest, as well as by means of a significant overvaluation of the contributions in kind and the credits and the corporate assets, in the case of Company transformation.



Any operation that may cause damage to Shareholders or Creditors is expressly forbidden.

It is also expressly forbidden to carry out any transaction, either real or simulated, which can alter the correct dynamics of the supply and demand of financial instruments, as well as any operation that may unduly benefit from the release of false or distorted information .

4. APPLICATION OF THE CODE OF ETHICS AND CONSEQUENCES OF ITS VIOLATIONS

4.1 OBSERVANCE OF THE CODE OF ETHICS

Compliance with the standards of the Code of Ethics is considered as an essential part of Personnel's contractual obligations, as well as of any contractual obligation assumed by any third party which has entered into a business relation with the Company (Third Party Recipients of the Code).

The Management of the Company is responsible for securing that Axxam's expectations, at this regard, are fully understood and complied with by all of the Recipients of the Code, and that the relevant principles and provisions are fully met and satisfied.

4.2 REPORTING OF VIOLATIONS

In order to ensure the effective application of the Code, Axxam binds all those who are aware - or may become aware - of any cases of non-compliance with the Code within the Company, to report such breaches in the manner described below.

All Personnel must report any violation or suspected violation to their direct hierarchical referent. If such reporting is ineffective or not appropriate, the report must be addressed to the CEO and to the Supervisory Body and, by using the dedicated email address.

The Supervisory Body shall promptly and meticulously verify the information reported and, having ascertained its validity, shall submit the case to the CEO for the application of the appropriate disciplinary sanctions. The Supervisory Body has the authority to summon and hear the reporting party as well as any other persons involved and, if necessary, to consult with the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors.

With regard to reports of actual or attempted violations of the standards of the Code of Ethics, Axxam S.p.A. guarantees that no one may be subject to reprisals, illicit influence, distress or discrimination for having reported the violation of the contents of the Code of Ethics or of internal procedures related to the Model.

Any form of reprisal against the Executive, Employee or the Collaborator who, in good faith, has reported a possible breach of the Code of Ethics, constitutes a violation of the present Code. Anyhow, it should be considered violation of the Code the behaviour of those who accuse other Employees or Collaborators of violation, with the knowledge that such violation does not exist.

4.3 SANCTIONS

Any violation of the principles set forth in the present Code of Ethics and of the Company procedures jeopardizes the relationship of trust between the Company and whoever has committed the said violation (e.g., Directors, Employees, Collaborators,

Consultants, Clients, Suppliers, and any business or financial partner of the Company).

Once established, any violation shall be harshly and promptly punished, through the adoption of adequate and proportionate disciplinary measures, compatible with the provisions of the regulations in force, and regardless both of the criminal relevance of such conduct and the establishment of a criminal prosecution, when the said conduct constitutes a criminal offense.

The disciplinary measures for violation of the Code shall be adopted in accordance with the regulations in force and the collective bargaining agreements, in full consistency with the provisions of the Code of Sanctions implemented by Axxam. Such measures may also include the termination of any employment, collaboration, consultancy or business relation between the Company and the infringing party.

For those who are not related to the Company by an employment contract, violations of the Code will be sanctioned with the application of civil sanctions provided for by the law.

In order to protect its image and safeguard its assets, the Company shall not entertain any kind of relationship with those who do not intend to strictly comply with applicable law, or refuse to act in accordance with the values and principles of the present Code.

4.4 DISCLOSURE AND COMMUNICATION OF THE CODE OF ETHICS

The present Code is brought to the attention of the Corporate Bodies, and all Employees, Collaborators and consultants of Axxam, as well as of any other party that has a business relation with the Company, or that may act on behalf of the latter (Third Party Recipients). All of the above mentioned Recipients are required to be fully aware and conscious of its contents and provisions, and to respect them.

At this purpose, the Code is available in Axxam's website, as well as in the Company intranet.

Any update or revision of the Code is defined and approved by the Board of Directors of the Company, after consultation with the Supervisory Board.

In order to secure a comprehensive understanding of the Code, the Human Resources Department shall establish and implement a dedicated training programme, thus offering to all Recipients a thorough explanation of its principles and provisions.