

SEVES

CODE OF CONDUCT



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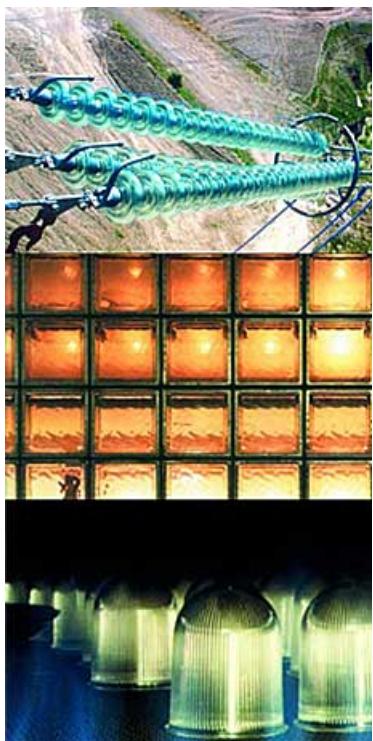
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Seves is transparent like glass

SEVES is the world's leading manufacturer of insulators for power transmission and of glass blocks for architectural and interior design applications. SEVES is a system which appreciates the experiences, respects the nature, creates innovation and believes in a common vision.

Seves pursues the utmost quality of the products manufactured and the services rendered.

The fulfilment of client's needs and contractual undertakings is not only vital but also an ethical dimension for Seves.



SEVES is aware of the responsibilities arising from the peculiarities of the industrial sector in which it operates and the nature of the goods it produces. In this context, also with reference to the regulations imposed by Legislative Decree 231/2001, as subsequently amended and integrated, the Company has decided to adopt the present Code of Conduct, containing the rights, duties, responsibilities and behavioural rules of the company *vis-à-vis* the so-called "Interested parties" (employees, suppliers, clients, public administration, etc), strengthening its commitment towards the centrality of the "Individual" independently and beyond what has been established by the law.

This Code of Conduct embodies a series of principles (of professionalism, entrepreneurship, legitimacy, honesty, transparency, reliability, equality, impartiality, loyalty, fairness and good faith) that characterize the activity and behavior of the companies belonging to the SEVES Group, its employees and anyone who cooperates with SEVES and shares the behavior that such people observe in order to comply with the applicable laws as well as the duties provided for in the collective agreements.

All employees in the Group and everyone who cooperates in SEVES activities is bound to know the present Code of Conduct, actively contributing to its observance. Towards this end, SEVES is committed to ensuring the widest diffusion of this Code of Conduct, ensuring an adequate training program on its contents.

By naming a specific internal body (The "Control Body", as in paragraph 13) SEVES supervises the observance of the behavioural rules provided for in this Code of Conduct that are relevant for the Legislative Decree 231/2001 and subsequent amendments and integrations, inflicting the opportune sanctions in case of violation.

1. SCOPE OF CONDUCT AND RECIPIENTS

- 1.1. The rules embodied in the present Code of Conduct constitute the inspiring principles that govern the activities of the SEVES Group. All companies belonging to the Group as well as their directors, all subjects that are linked to SEVES through subordinate work contracts, and anyone who cooperates towards SEVES's goals in the context of the different relationships that they have with SEVES, are to be considered Recipients of the present Code.
- 1.2. The Recipients shall comply with the provisions of the present Code of Conduct for the entire duration of their relationship with SEVES, from acceptance of the office to the conclusion of the work or collaboration contract, for the entire period in which there will be activities at SEVES or in its interest, until the dissolution of their relationship.
- 1.3. All actions, transactions, negotiations that SEVES puts in place must revolve around the present Code of Conduct
- 1.4. The Boards of Directors of the Group's companies are inspired to the principles of this Code of Conduct, in setting company targets, in proposing investments and carrying out projects, as well as in any decision or measure regarding the management of the Group. At the same time, the management of the Group, in concretely implementing the activities of the single companies is inspired to the self-same principles, both within the Group itself, that way strengthening the cohesion and the spirit of reciprocal collaboration, and towards third parties that come into contact with the Group.
- 1.5. The principles embodied in this Code of Conduct shall characterize the relationship between the employees of the Group, at any level and/or category and whatever their duty, or their relationship with third parties that are not part of SEVES.
- 1.6. Those collaborators who do not have a subordinate tie to SEVES (like, for example, consultants, agents, etc.) as well as partners (like, for example, joint venturers, etc) and all those who have a commercial relationship with the Group must adapt their behavior, in the context of the different relationships with SEVES, to comply with the rules of the present Code of Conduct.

2. GENERAL RULES

2.1. SEVES is committed to guarantee:

- the maximum diffusion of the present Code of Conduct to Recipients;
- the diffusion of cognitive, training, clarification instruments on the contents of this Code of Conduct;
- periodical checks that the Recipients comply with the contents of the Code of Conduct as per Legislative Decree 231/2001;
- the update of the Code of Conduct in relation to the development and changes in the management activities, changes in the organization or violations from such checks;
- the application of suitable sanctions in case of violation.

2.2. All Recipients have the duty to recognize the rules in this Code of Conduct and must:

- not behave against the rules of the Code of Conduct;
- report to the Control Body any behaviour that could potentially differ from what is provided for in the Code of Conduct;
- not undertake any initiative against the Code of Conduct.

2.3. With regards to third parties with whom SEVES has relationships, Recipients must:

- inform them about the rules of the present Code of Conduct;
- obtain the respect of the rules of the Code of Conduct in carrying out activities for which these people are in a relationship with SEVES;
- report to the Control Body any behaviour that can even potentially differ from what is established in this Code of Conduct.

3. ETHICAL PRINCIPLES

3.1. In order to reach its goals, SEVES is inspired by the following principles (hereinafter referred to as the "Principles"):

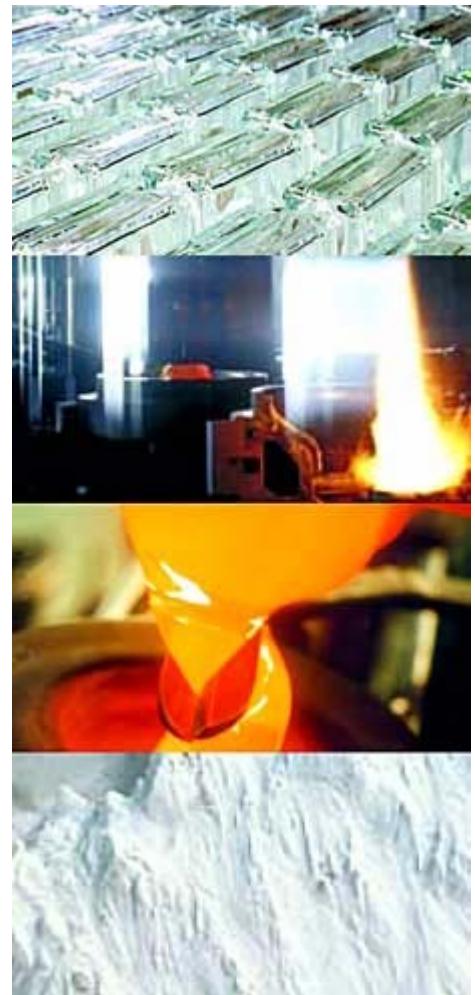
- honesty;
- transparency;
- equality and fairness;
- loyalty, integrity and good faith;
- respect of all laws and regulatory measures of foreign countries in which SEVES operates;
- compliance with the most rigorous behavioural rules in the relationship with the Public Administration in the full respect of the institutional functions;
- respect of human dignity;
- safeguarding the environment and safety, in the workplace;
- privacy.

3.2. The Recipients, in their relationship with SEVES, do not carry out activities against the interest of SEVES. In no case any interest of SEVES shall justify a conduct against the Principles.

3.3. In all decisions connected to the management of the different activities of the company (among which, for example, the choice of clients, the relationship with shareholders, human resources management, the organization of work, the choice and management of suppliers, the relationships with the community and the institutions that represent it, etc.) Recipients avoid discrimination based on gender, sexual orientation, health, race, nationality, political opinions and religious beliefs.

3.4. Conflict of interest, whether real or only apparent, must be avoided while conducting any activity. The Recipients shall not pursue interests that are not within the mission of the Company or carry out activities that can interfere with his/her capability to make decisions in the exclusive interest of SEVES. Recipients do not seek to personally benefit from SEVES business opportunities or situations in where representatives of clients, suppliers, public institutions or public officials or deputies may act in contrast with their official duties. As mere example, that is not exhaustive, there is a conflict of interest when:

- there is a clear or hidden shared interest between the employee and the non-subordinate collaborator or their relatives in activities of suppliers, clients, competitors;
- there is an exploitation of personal interests against SEVES'S;
- information acquired in working activities is used in favour of personal interest or third parties' in contrast with SEVES';
- working activities of any kind are carried out with clients, suppliers, competitors and/or third parties in contrast with SEVES;
- the conclusion, perfection and start of negotiations and/or contracts by SEVES that have, as a counter-party, relatives or partners of the employee or subjects related to him/her.



- 3.5. In the management of the different company activities, the Recipients are obliged to supply complete, transparent, comprehensible and accurate information.
- 3.6. SEVES guarantees the confidentiality of the information that it processes and shall not search or use reserved data except for cases of explicit and conscious authorization and in any case always conforming to the existing legislation on the matter and in particular in compliance with Legislative Decree 196 of 2003 (Data Protection), the so-called Privacy Law. The Recipients, in the context of the different relationships with SEVES must not use reserved information for purposes that are not linked to the activities they are entrusted to.
- 3.7. SEVES safeguards and promotes the value of human resources in order to improve and grow the assets and the competitiveness of each employee's know-how.
- 3.8. In underwriting and managing contractual relationships, SEVES is committed to exercising authority with equality and fairness, avoiding any form of abuse. In particular, authority must never take the form of power that damages dignity and personal independence. The choices in organizing work always safeguards the values of employees and collaborators.
- 3.9. SEVES safeguards the physical and moral integrity of its employees, and working conditions are safe, healthy and they respect human dignity. Requests and threats aimed at inducing people to act against the law and the present Code of Conduct are not tolerated nor is any behavior that harms the beliefs and moral preferences of each individual.
- 3.10. SEVES recognizes the fact that the environment is a primary asset to safeguard and towards this end it plans its activities searching for a balance between economic initiatives and im-pregnable environmental needs. In this sense, SEVES is committed to respecting the environment in compliance with the laws of the countries where it operates.

4. ORGANIZATIONAL AND ACCOUNTING RULES

4.1 *Accounting records*

- 4.1.1. Any operation or transaction is correctly recorded in the company accounting system according to the criteria dictated by law and the auditing principles that are applicable and it is also duly authorized, checked, legitimated as well as be coherent and congruous.
- 4.1.2. In order for the accounting records to be truthful, complete and transparent, for each transaction SEVES keeps adequate and complete records of the activities carried out, in order to allow a chronological reconstruction of the decision-making and authorization process as well as the relevant reasons.
- 4.1.3. Every employee and collaborator shall cooperate, in as much as his/her duty, so that any fact regarding the SEVES management be recorded in a correct and timely manner in the SEVES accounting books.
- 4.1.4. Each accounting record reflects exactly what is shown in the documentation that supports it. Therefore, it is each employee's duty to make sure that the support documentation could be easily found and sorted in order of logical criteria.
- 4.1.5. In case SEVES employees and non-subordinate collaborators - the latter in the measure of his/her appointment - come to know of any omission, falsification, negligence in the accounting records, they shall report them in a timely manner to the SEVES Control Body as well as to the Board of Directors.

4.2 *Internal Audit*

- 4.2.1. SEVES adopts the suitable internal audit systems in order to:
 - guarantee the reliability and fairness of the accounting writings and to safeguard the company assets;
 - ensure the conformity of accounting and fiscal obligations to the existing laws and to the internal policies of the Group.
- 4.2.2. The internal audit manages all the supervisory activities that the single operational units carry out on their processes in order to protect the company assets, efficiently manage the company activities and supply clear information on SEVES's financial, economic and balance sheet as well as all those activities aimed at assessing and managing Company risks.
- 4.2.3. SEVES employees and non-subordinate collaborators must, in as much as their authority and duties:
 - collaborate in order to define and make the audit system correctly function;
 - guard responsibly the company assets, whether tangible or intangible, that are instrumental for their activity and not make an improper use of them.
- 4.2.4. Guarantee that the managers, the auditing companies in charge and the Control Body have free access to data, documentation or any information that is useful to carry out the internal

control and auditing activities.

4.3. Relationship with the statutory auditors and the auditing company

- 4.3.1 The Recipients shall comply with the principles of transparency, professionalism, and maximum collaboration in their relationship with the statutory auditors of the Group's companies and with the firms currying out the auditing of SEVES. In particular, all communication towards such subjects has to be respectful of the law, and in a clear and comprehensible language, complete, timely and with informational symmetry.

5. GENERAL RULES OF CONDUCT

5.1. Processing of data

- 5.1.1. All data available to SEVES are processed in the full respect of confidentiality and privacy of the interested parties, and in particular in compliance with the Legislative Decree 196/2003.
- 5.1.2. SEVES constantly applies and updates specific policies and procedures to safeguard protection of data.

5.2. Presents, gifts and benefits

- 5.2.1. It is not allowed to give or receive any form of gift, benefit or utility which could be interpreted as beyond usual commercial and courtesy practices or contrasting with the Company rules or that is aimed at acquiring favors in conducting activities linked to the Company. The Recipients who receive gifts or benefits not allowed by SEVES policies shall report it to the Internal Audit which, together with the Control Body, shall assess the risks connected to the practice and eventually communicate SEVES'S policies to the sender.
- 5.2.2. In order to allow the opportune checks, gifts offered by SEVES – except those with a modest value –are authorized by the supervisor of the functions involved according to the procedures established and adequately documented.
- 5.2.3. It is forbidden to offer gifts to public officials and/or public service deputies.

5.3. External communication

- 5.3.1. All forms of external communication of documents or information regarding SEVES are compliant with the laws, regulations and the existing professional conduct practices and are carried out with clarity, transparency and timeliness with particular reference to the so-called price sensitive information and those regarding industrial and intellectual property secrets. It is in any case forbidden to:
 - 1) release false and misleading, or in any case reserved, news and statements regarding SEVES and/or its employees and non-subordinate collaborators;
 - 2) exercise any form of pressure aimed at acquiring favors from the areas and functions that communicate/inform the public.
- 5.3.2. In order to safeguard the completeness and coherence of information, SEVES' relationship with the mass media are reserved exclusively to specific functions.

6. CONDUCT CRITERIA VIS-À-VIS EMPLOYEES AND COLLABORATORS

6.1. Recruitment

- 6.1.1. The evaluation and recruitment of personnel is based on whether the profiles correspond to the Company needs, complying with equal opportunities for all interested parties.
- 6.1.2. The information requested is strictly linked to checking the psycho-aptitude and professional profile, respecting the candidate's private life and opinions.
- 6.1.3. The Human Resources function, in the limits of the available information, adopts the opportune measures to avoid favor, nepotism and patronage in the selection and hiring of personnel.

6.2. Establishing work relationships

- 6.2.1. The personnel of the Group is hired with a regular work contract; no form of work that does not conform to the existing laws and the applicable collective national contracts is tolerated and allowed.

6.3. Management of personnel and organization of work

- 6.3.1. SEVES shall avoid all forms of discrimination *vis-à-vis* its employees and collaborators.
- 6.3.2. The access to roles and/or offices is established considering the skills and capabilities of the individuals. Compatibly with the general principles of efficiency, the Company favors flexibility that facilitates the management of the motherhood state and in general of child-care.
- 6.3.3. SEVES wants to improve each employee's skills also through specific training. SEVES aimed at creating value and maintaining personnel's professional skills very high.
- 6.3.4. The training for employees and non-subordinate collaborator is recorded on the "Human Resources" informational system in order to be accessible at any given moment for statistical purposes and to plan subsequent training sessions.
- 6.3.5. The involvement of employees and/or collaborators is ensured through periodical sessions focused on the Company targets.
- 6.3.6. In organizing the work, SEVES safeguards the value of human resources foreseeing, where necessary, professional training and/or requalification measures.

6.4. Safety and Health

6.4.1. SEVES is committed to spreading and consolidating a culture of safety and health for workers in the workplace, developing the consciousness of risks and promoting responsible behaviours of all employees and/or non-subordinate collaborators. In any case, SEVES complies with the rules provided in Legislative Decree 626 of September 19, 2004 and it assesses and manages risks of safety in order to prevent, through the specific sessions training, any type of risk connected to the worker's safety and health.

6.5. Safeguarding privacy

6.5.1. SEVES safeguards, in the full respect of Legislative Decree 196/2003, the privacy of all employees and/or non-subordinate collaborators. SEVES adopts appropriate standards that, except for in cases established by law, prohibit to communicate and/or diffuse personal data without the consent of the interested person and establish rules to allow each employee and non-subordinate collaborator to be aware of the privacy and data protection policies.

6.5.2. In any case it is not allowed to carry out any sort of investigation on the ideas, preferences and personal taste and in general the private life of employees and/or non-subordinate collaborators.

6.6 Integrity and safeguarding human dignity

6.6.1. SEVES is committed to safeguarding the moral integrity of employees and non-subordinate collaborators, guaranteeing them the right to work in conditions that respect the human dignity. No sexual harassment or any kind of behaviour that could bother the sensitivity of a person is admitted and tolerated.

6.7 Duties of employees and collaborators

6.7.1. In carrying out his/her duties, each employee and/or non-subordinate collaborator is committed to act loyally and in respect of the obligations provided for in the work contract with SEVES and in this Code of Conduct.

6.7.2. Each employee and/or non-subordinate collaborator is aware and enforces what has the Company policies regarding safety of information and is also obliged to process his/her documents using a clear, objective and exhaustive language, allowing possible double - checks by colleagues, supervisors and external subjects who have been so authorized.

6.7.3. Each employee and/or non-subordinate collaborator must avoid situations in which conflict of interests could arise and should not take personal favor from business opportunities arisen in the performance of his/her duties.

6.7.4. Each employee and/or non-subordinate collaborator must operate with diligence to safe guard the company assets through responsible behaviour and in line with the operational procedures and the Company guidelines.

6.7.5. With reference to information technology applications, each employee and/or non-subordinate collaborator shall:

- scrupulously adopt what has been established by the Company safety policies in order

- not to compromise its functionality and the protection of the information technology systems;
- not duplicate in an abusive manner the programmes or data installed on the computers;
 - not send e-mail that undermine and offend, that uses low-level language and not express inappropriate comments that could offend the individual and/or damage the Company image;
 - not surf Internet sites with undignified and offensive contents. In this sense SEVES uses measures aimed at preventing the company systems from connecting with sites with forbidden contents.

7. **CONDUCT VIS-À-VIS CLIENTS**

- 7.1. SEVES's conduct of vis-à-vis its clients is characterized by availability, respect, courtesy as well as high professional standards. Illicit and collusive behaviors, unlawful payments, attempts to corruption and bribery and favoritisms are prohibited and not tolerated.
- 7.2. Contracts with clients and all communication towards them are clear, simple, complete and transparent as well as compliant with the existing regulations.
- 7.3 SEVES adopts simplified and transparent procedures in managing relationships with clients (adopting, for example, safe, clear and when possible automated payment procedures).
- 7.4. SEVES guarantees an adequate standard of quality for its products on the basis of preset levels and shows, upon request, the certificates that corroborate the company processes vis-à-vis the rules of Quality and Safety established by the competent regulatory entities in the glass sector.
- 7.5. SEVES examines and possibly accepts suggestions and claims by clients or their associations using suitable and timely communication systems.

8. CONDUCT VIS-À-VIS SUPPLIERS

- 8.1. The acquisition processes (for example of raw materials, semi-finished goods, etc.) are characterized by the search for quality, maximum competitive advantage for SEVES, granting equal opportunities, loyalty and impartiality to all suppliers. In particular, SEVES scrupulously observes the existing regulations, the operational procedures and the Company directives regarding the selection and management of suppliers that have the prerequisites requested by this Code of Conduct and, more in general, in a context of fairness and transparency.
- 8.2. In choosing suppliers, SEVES does not accept unduly pressure in order to favor one supplier instead of another, undermining the trustworthiness granted to SEVES by the market, as far as transparency and severity in the application of relevant laws and policies is concerned.

9. CONDUCT VIS-À-VIS THE PUBLIC ADMINISTRATION, THE INSTITUTIONS AND THE REGULATORY SUPERVISORY AUTHORITIES

- 9.1. SEVES's relationship with the Public Administration, officials, or public service deputies, health officials, hospitals, local health companies and in any case the relationship SEVES has with public bodies, is carried out with the utmost rigorous observance of the laws and regulations applicable and cannot in any way compromise the integrity and reputation of the Group.
- 9.2. The Recipients must respect the regulations provided for in the Compliance Program as per Legislative Decree 231/2001, which is a document that has been drafted and periodically updated by SEVES and of which the present Code of Conduct is an integral and substantial part. The management of relationships, of any kind, with the Public Administration, public officials, and public service deputies is exclusively reserved to Company officials entrusted with this task and to the authorized personnel and in any case, is adequately documented.
- 9.3. During any business negotiation or any relationship, also commercial, with public subjects, SEVES does not correspond or offer, directly or through third parties, money, gifts or favours of any kind or any amount to compensate, pay back or influence public officials or public service deputies in doing anything against their duties.
- 9.4. The relationships with the institutions and public bodies are exclusively reserved to the subjects in charge. All relationships with the administrations, public, national or international are carried out pursuant to the existing regulations in order to guarantee the maximum transparency towards the subjects, supplying, upon request, complete, truthful and correct information and avoiding collusive and obstructionist behaviours.
- 9.5. SEVES scrupulously observes the regulations dictated by the supervisory authority in order to guarantee the respect of the existing regulations in the sectors linked to its activity (for example, the Antitrust Authority, the Data Protection Authority, the Health Ministry, etc.).
- 9.6. The Recipients fulfil any request of regulatory bodies in their investigative functions and grant full collaboration during investigative procedures.

10. CONDUCT VIS-À-VIS UNIONS AND POLITICAL ORGANIZATIONS

- 10.1. SEVES does not fund political organizations and unions or organizations that represent them, nor does it sponsor congresses for political propaganda unless specifically provided by law.

11. IMPLEMENTATION PROCEDURES

11.1 Control Body

11.1.1. The duties of SEVES Control Body, as outlined in the Compliance Program as per Legislative Decree 231 of 2001, in addition to those listed in the above-mentioned model are:

- to verify the application and respect of the Code of Conduct;
- to promote initiatives to spread the awareness and comprehension of the Code of Conduct also with training/information programs aimed at a better and more widespread comprehension of the Code;
- to receive and analyse violations of the Code of Conduct;
- to express opinions regarding the procedures and the Company policies in order to be coherent with the Code of Conduct;
- point out to the Boards of Directors and administrative bodies of the opportunities to revise and update the rules provided for in the Code of Conduct.

11.1.2. In carrying out such activities, the Control Body receives the support of all the interested Company functions and has free access to all documentation that is deemed useful. The Human Resources function drafts, on the basis of indications of the Control Body, an annual training session aimed at favouring the knowledge of the principles included in the Code of Conduct.

11.2 Sanctions for Violation of the Code of Conduct

11.2.1. The observance of the dispositions included in this Code of Conduct is an essential part of the contractual obligations according to articles no. 2104 and article no. 1453 of Italian Civil Code. The violation of the dispositions provided for in this Code of Conduct constitutes, therefore, a serious breach of the obligations deriving from the relationships with SEVES and it is an offence that can be sanctioned, depending on its relevance, also with the termination of the existing relationship according to article 7 of Law no. 300 dated May 30, 1970 also with the possibility for Seves to recover damages from the non compliant party. The necessary procedure is applied with coherence and impartiality and the Control Body is informed of this in a timely manner.
