

# **CODE OF ETHICS**

## **IMA GROUP**

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## 1. INTRODUCTION

This Code is an integral part of the prevention and protection system adopted, or in the process of being adopted, by IMA S.p.A. and its subsidiaries (hereinafter jointly referred to as “IMA” or the “Group”) under the terms of articles 6 and 7 of legislative decree No. 231 dated 8<sup>th</sup> June 2001 (hereinafter referred to as “legislative decree 231/2001” or the “Decree”).

The Decree introduced the principle of the administrative and criminal liability of collective entities (thus including companies) deriving from offences committed for the benefit or even merely in the interests (without an actual benefit having been obtained) of such entities, by their representatives, administrators or directors, or individuals exercising management or control (including *de facto* management or control) or persons under their authority.

The Decree also provides for the possibility for a company or business to avoid incurring sanctions, linked to the adoption of organisation, management and control models designed to prevent the offences mentioned, as a source of liability. The Code of Ethics is the document on which this organisation and management model is based.

A supervisory body is also set up in order to check that the organisational model adopted is adequate, functional and regularly updated.

This Code of Ethics is also intended to provide a clear and comprehensive summary, within the limits of a document of this type, of the principles and values to which IMA refers, the general rules of conduct on which they are based, and to diffuse awareness of these principles and values inside and outside the Group.

IMA recognises the importance of ethical and social responsibility when conducting its affairs and corporate activities. It is aware that a good reputation and positive corporate image are a fundamental asset on which its mission is based. In particular, these factors help to develop a trust-based relationship with stakeholders and avoid preconceived or hostile ideas towards the company, which unethical conduct inevitably leads to.

## 2. RECIPIENTS; SCOPE OF APPLICATION

This Code applies to all IMA’s activities in Italy and abroad.

It is targeted at the administrators, auditors, directors, employees and external agents of IMA, and in general anyone working on behalf of or in the interests of the Group or any of its individual companies (the “Recipients”).

All of the recipients, with no exceptions, are obliged to familiarise themselves with the Code of Ethics and must be aware of their obligation to observe and ensure observance with the Code when carrying out their functions and duties. Under no circumstances may the conviction of acting in the interests or to the benefit of the Group or any of its individual companies justify conduct which conflicts with the principles and standards set out in this document.

Any recipient who becomes aware of an actual or potential violation of one or more provisions of this Code, by one or more individuals acting in the interests of the Group or an individual company, must immediately inform the Company’s Supervisory Committee. Where considered strictly necessary, reports may be made verbally and/or in anonymous form, provided that they are well referenced.

In particular, all partners and counterparts in every business transaction must be informed of the existence of the Group’s Code of Ethics and are contractually obliged to respect it. To this end, the Code Recipients must, in accordance with their respective duties:

- ensure that counterparts receive adequate information about the commitments and obligations imposed by the Code;
- demand compliance with obligations that directly relate to their business
- take appropriate internal action and, if within their field of competence, external action in the event that third parties fail to comply with the rules of the Code.

For its part, IMA undertakes to:

- promote awareness of the Code among all employees, including (but not exclusively) through the training activities relating to the organisational model adopted by the various Group companies;

- encourage the dissemination of the Code of Ethics, as far as possible, among the stakeholders of the Group companies, and in particular among business and financial partners, consultants, agents, clients and suppliers;
- update the Code whenever deemed necessary or opportune as a result of internal and external changes;
- guarantee a differentiated training programme and regular raising of awareness of the issues related to the Code;
- carry out any checks that may be required in relation to any information concerning possible violations, and apply adequate penalties as necessary (also via the Supervisory Committee);
- guarantee that nobody will suffer repercussions of any kind for having given, in good faith, information concerning possible violations of the Code of Ethics, and in any event guarantee the privacy of the person making the report, subject to legal obligations.

This document merely sets out the operational guidelines that the Recipients are obliged to follow, and does not contain specific answers to any circumstance or situation that may arise. Therefore, for any explanations relating to the interpretation or application of the principles and rules of conduct set out in these guidelines, the Recipients must contact the Supervisory Committee of the company directly concerned.

### **3. CORPORATE MISSION**

The mission of IMA consists of strengthening the Group's position of international leadership in its industry, through a strategy based on a continuous striving for excellence designed to meet, with ever-greater efficiency, the needs of an increasingly broad cross-section of businesses.

In this way, IMA can create value for shareholders and encourage the professional development of its employees and agents, while maintaining and developing the relationship of trust with all the external partners of the Group interested in the business activities not only of IMA but also of the community in which it operates.

### **4. VALUES**

A company is not an abstract or transcendental entity but a living organism that interacts on a daily basis with its social and natural environment, through the work of men and women engaged in the fundamental activity of creating wealth and wellbeing. Its activities cannot be based solely on the mere seeking of profits, although this is normal. They must be distinguished by values and principles that make the company itself an ethically responsible player in the world of industry.

IMA, which identifies with this vision of industry, bases its work on the following values:

- compliance with the laws and regulations in force in countries and markets in which the Group has a presence and operates, even through third parties;
- honesty, fairness and transparency in its relations with all its various stakeholders. The interests of part of these stakeholders must not be violated to the benefit of others;
- respect for the individual, whatever his or her position in society or the production system, and the rejection of any form of abuse, exploitation or discrimination against the individual;
- protection and development of the company's human resources, wherever they operate, as they are seen as a primary factor in the success of IMA's strategies, and are also entitled to fair treatment intended to guarantee the mental and physical integrity of the individual and respect the specific characteristics of each worker;
- the spirit of entrepreneurship and fair competition, to ensure competitive interaction with a market that favours efficiency, the courage to invest and the capacity to innovate, benefiting both the more dynamic operators and their customers and, therefore, the end consumer;
- respect for the ecosystem, with an attentive, responsible use of natural resources with a view to sustainable development and protection of the rights of future generations;
- responsibility towards the community and awareness of the important economic and social impact that may result from the decisions and choices made by IMA.

## **5. RULES OF CONDUCT**

### **5.1 Relations with the Public Administration**

For the purposes of this Code, the Public Administration is meant in the broadest sense, also including the public administration of foreign states and supranational public entities, and all those entities that may be qualified as such on the basis of current legislation and current interpretations by the courts and legal scholars. The Public Administration means not only public authorities but also any public entity, independent administrative agency, and natural or legal person acting as a public officer or public employee.

Relations with the Public Administration are imperatively limited to anyone responsible for the function carried out, or those specifically or formally authorised by IMA to have dealings with and/or negotiate with the Public Administration or its officials and representatives.

These dealings must be characterised by honesty, fairness, transparency and full compliance with laws and regulations, with respect for the public nature of their function.

No conduct, whether carried out directly or through an intermediary, intended to unduly influence the decisions of the Public Administration or obtain preferential treatment, even indirectly (such as the issuing of an order that damages a competitor of IMA) in connection with any company activities, will be tolerated.

In this regard, the following acts are prohibited, in relation to the representatives of the Public Administration, their relatives, next of kin or persons linked to the same by friendship and/or interests, even in the presence of illegitimate pressure from a superior:

- promising and/or making cash donations
- promising and/or giving gifts or presents apart from those permitted by company practice, usual business practice, or courtesy;
- promising and/or granting benefits and utilities of any kind (holidays, job offers or commercial advantages, etc).

These prohibitions may not be evaded by means of granting sponsorships and/or making contributions to public administrations or bodies, or by awarding duties to persons in some way connected to people working for the public administration.

In addition, through the work of anyone acting in its interests or on its behalf, IMA may not:

- allow itself to be represented in its relations with the public administration by a third party which could, even only in abstract terms, constitute a conflict of interest;
- take action towards the public administration in order to solicit and/or obtain confidential information;
- omit information owed to the Public Administration, or use or submit false or inaccurate documents;
- use trickery or deception to mislead the State or another public entity;
- alter the functioning of a public computer or electronic system or intervene, without authorisation or by any means, on the data, information or programs contained on a public computer or electronic system or related thereto.

Although the above rules concern relations with the Public Administration in general, in certain specific activities, anyone representing IMA or acting in its interests must act with caution in order to avoid any potential misunderstandings about his intentions or those of IMA. These activities are:

- business negotiations with the Public Administration and the participation in public tenders;
- applying for public authorisations, concessions or licences;
- registering patents and trade marks;
- handling Customs cases;
- criminal, civil or administrative proceedings;
- inspections by the courts or public bodies, tax or social security inspections relating to compliance with laws on safety in the workplace and obligations towards protected categories;
- applying for funds from the State, the European Union or any other public body (such as subsidies, funding, grants, special-rate loans or any other similar payment).

In relation to the above, it should also be noted that once these public funds have been obtained, they must only be used for the purposes and initiatives stated in the application. They must not be used, even in part, for any purpose other than that specified in the relevant application.

## **5.2 Administration and accounts management**

A reliable, transparent administration and accounting system forms the basis for a corporate management style which pursues business objectives in a balanced manner, in full compliance with the law, applicable regulations and the legitimate interests of IMA's stakeholders.

In particular, the system must ensure that all transactions and operations are adequately recorded and that the decision-making, authorisation and execution process can be verified at any time.

The accounting system must be based on generally-accepted principles, and must also be in full compliance with specific rules relating to companies listed on regulated stock markets.

Financial records must be truthful and accurate. No items may be falsified or hidden, and no funds, assets or transactions may be left unrecorded.

Records must be accurate, complete and promptly entered, in order to provide a faithful representation of the company's economic, equity and financial situation.

All transactions must be supported by adequate, clear and complete documentation, which must be filed and easily available at any time, to allow checks on the reasons and characteristics of each transaction. In particular, no payment may be made without adequate supporting documentation.

The data and information contained in the balance sheets, reports and other mandatory corporate communications must represent the actual economic, equity and financial situation of the Group and its companies. Any conduct by any person, carried out for whatever reason, intended to alter the accuracy or truthfulness of the documentation is strictly prohibited.

All those involved in preparing the balance sheet and similar documents must provide the maximum possible assistance, provide clear, complete information and undertake to ensure the accuracy of the data and records. They must also report any conflicts of interest to the heads of the accounting department and to the Supervisory Committee.

Internal and external auditors must have unrestricted access to the data, information and documents necessary for their work. In addition, no impediment or obstacle may be placed in the way of auditing activities attributed by law to the shareholders, other corporate bodies, the auditing firm or external regulators.

## **5.3 Relations with agents and partners**

IMA recognises the importance of the contribution which external agents and partners can provide to the achievement of its growth and development objectives, and their contribution to the image of the Group.

Therefore, external agents and consultants must be selected on the basis of their professional expertise and reputation.

The duties assigned to external agents must be set out in writing and must be verified and approved solely on the basis of existing powers.

No payments may be made to external agents who are not adequately justified in relation to the type of service given or the practice applied locally.

Likewise, relations may only be established with partners of a respected status, who engage in lawful activities and whose work is based on ethical principles similar to those of IMA.

The association agreements with partners (in the context of joint ventures, temporary associations etc.) must be set out in writing, include all the terms and conditions of the agreement and must only be verified and approved on the basis of existing powers.

No services may be provided to partners who are not adequately justified in the context of the existing relationship.

No secret agreements may be entered into with agents or partners if they conflict with the law or are intended to violate the law.

#### **5.4 Administration and management of IMA**

As part of its activities, the directors of the Group companies, General Managers and their subjects are bound by the principles of correct management as defined in the Italian Civil Code and legislation concerning corporate offences.

Special attention must be paid to the correct preparation of balance sheets and other corporate communications; to the correct and complete distribution of documents, the communication of data and information required by law; the prompt disclosure by directors of any conflicts of interest; to assisting the auditing activities assigned by law to the shareholders, other corporate bodies and auditing firms, and the activities of the public regulators who may come into contact with various Group companies in connection with their institutional duties; to protecting the integrity of the assets of various Group companies; to the fairness of relations with all shareholders and to allowing the regular conduct of shareholders' meetings; to the acquisition of shares from various Group companies only in the presence of the legal requisites.

#### **5.5 Contributions and sponsorships**

IMA may accept requests for contributions and sponsorships but must remain extremely vigilant in order to avoid any potential conflict of interest at a personal or corporate level.

In relation to the payment of contributions, this is limited to requests from bodies and associations which are recognised as non-profit associations with statutory by-laws and articles of association, in relation to initiatives with a high cultural, social or beneficial value and in any case those which involve a large number of the general public. All contributions must be paid out in strict compliance with laws in force, and must be recorded appropriately.

As regards sponsorships, they must be governed by a written agreement clearly setting out the conditions agreed between the parties, and in particular the reciprocal relations between sponsor and sponsee. Sponsorships may relate to social, environmental or sporting events, showbusiness or art, and are only allocated to events offering a guarantee of quality.

Contributions and sponsorships may also be granted to public bodies provided that the amount in question is limited, and also entities with whom IMA has not had recent business relations, nor is it expected that such relations will occur in the near future. In any case, if contributions and sponsorships are granted to public bodies, the Recipients must comply with the requirements of paragraph 5.1 of this document.

#### **5.6 Personal integrity and dignity**

IMA considers that respect for the integrity and dignity of every human being is a primary value to be protected with the utmost determination.

IMA therefore unreservedly condemns any activity, wherever it takes place, that impairs this value. In particular, IMA condemns any activity directed at the exploitation, in any way, of the work of individuals in a state of need and/or subjection, or the sexual exploitation of minors, in any form.

#### **5.7 Relations with political entities**

IMA recognises the high value of the principle of freedom of political choice on which a democratic state is based. Therefore, it may contribute to the funding of political or trade union parties, associations, committees or organisations in Italy or abroad, operating as part of a democratic system, in accordance with the procedures put in place by the laws in force in the country in question. Any grant by IMA which may be seen as the financing of political activity must first be approved by General Management, which will verify its compliance with the law.

Any form of support or tolerance of individuals or collective entities carrying out terrorist or violent activities intended to subvert the democratic order of the State, in Italy or abroad, is prohibited.

#### **5.8 Organised crime**

IMA condemns and repudiates, as a principle and on an operational level, any type of criminal activity, with particular regard to crimes involving organised criminal groups, directed at or carried out in several States, or whose substantial effects materialise in a State other than the one in which the criminal offence was committed.

### **5.9 Relations with judicial authorities**

IMA respects the judicial authorities and their function, and acts in a correct manner towards them, providing its full collaboration. IMA condemns any attempt to render or encourage the rendering of false statements or the withholding of information.

### **5.10 Activities and relations on the financial market**

Any conduct which may be at risk of the crimes or administrative offences pertaining to activities and relations on the financial market, is prohibited.

In particular, no transactions may be concluded on the financial markets if such conduct is intended to execute simulated or artificial transactions in breach of the rules laid down by the regulatory bodies.

Likewise, no false or misleading news or information about the Group or any Group company may be disclosed, by any means, and any simulated or artificial transactions designed to alter the price of financial instruments issued by IMA are also prohibited.

Information about IMA in the possession of the directors, employees and agents of the Group in connection with their duties must not be used for any purpose other than the pursuit of legitimate corporate objectives. This information must be treated in the strictest confidence.

Internal and external communications regarding decisions taken by the Group and individual Group companies, or events occurring in connection with the companies' affairs are the subject of specific procedures which must be strictly adhered to.

### **5.11 Safety and hygiene in the workplace**

IMA fosters a culture of safety by raising awareness of risks and encouraging responsible behaviour by its employees and agents. It also guarantees hygienic, safe working environments, in full compliance with applicable legislation.

All employees and agents are obliged to strictly adhere to the above laws and rules, and all the health and safety measures laid down in company procedures.

### **5.12 Dealing in stolen goods; black money laundering**

Any transaction, whether at national, international or transnational level, which involves the slightest possibility of involving the Group or an individual company in the handling of stolen goods, money laundering or the use of illegally-obtained cash or other goods, is strictly prohibited.

The establishment of business relations with clients, suppliers and partners must involve thorough checks on their reputation and ethical values. These checks must rule out, with reasonable certainty, the risk of violation of any national or international laws on money laundering by anyone working for the benefit or in the interests of IMA.

### **5.13 Conflict of interest**

In all its activities, IMA pursues the aim of avoiding conflicts of interest, whether real or potential.

Other than in the case referred to in paragraph 5.4 of this Code, relating to the protection of public savings, a conflict of interest arises when personal affairs or interests have a real or apparent influence on a person's ability to act in the complete interests of the Group or an individual Group company. The administrators, shareholders, directors and employees of IMA must avoid any situation that may generate conflict with IMA's interests. In particular, any conflict of interest between personal or family-related business interests and a person's duties at IMA, and any form of collaboration that conflicts with their duties, must be strictly avoided.

### **5.14 Confidentiality; data protection**

The Recipients must, in their relations both inside and outside of IMA, ensure that any personal or sensitive information in their possession is treated in confidence. They must not use confidential information for purposes unrelated to their duties and must not seek out confidential information except with the express and informed consent of their superiors, in accordance with applicable data protection laws.

## **6. IMPLEMENTATION**

### **6.1 Dissemination and training**

Appropriate communication measures will be implemented to ensure that this document is distributed among the employees and external agents of IMA, and in general anyone coming into contact with the Group.

If changes are made to the Code, IMA will ensure that they are made known, and complied with.

As required under article 7(1) of law No. 300/1970, this Code will be displayed in a position where it can be accessed by all employees.

Failure to observe the principles and rules of conduct contained in this Code may result in disciplinary action by IMA.

In order to ensure that this document is fully understood by all Group employees, General Management will implement an annual training course intended to raise awareness of its principles and rules. The training initiatives will be tailored to meet the specific roles and responsibilities of each employee.

External agents and partners must observe the same principles and behavioural models as those set out in this Code. These rules must be expressly mentioned in any agreements entered into with the agents, who must be provided with a copy of this document.

### **6.2 Contractual value of Code of Ethics**

This document is an integral part of the contract of employment between IMA and the employee.

In particular, compliance with the rules of the Code is an essential part of the contractual terms and conditions of employment, under the terms of art. 2104 of the Italian Civil Code as stated below:

“Diligence of employee – The employee must use the diligence required by the nature of the service rendered, the interests of the company and the higher interest of national production. He must also observe the rules concerning the execution and discipline of employment given by the employer and any collaborators of the employer to whom he reports”.

### **6.3 Duties of Supervisory Committee and Board of Directors in connection with the Code of Ethics**

The Supervisory Committee has the following duties:

- to check that the Code of Ethics is applied and complied with;
- to monitor initiatives designed to raise awareness and understanding of the Code of Ethics;
- to receive and consider any reports of violations of the Code;
- to consider any proposals for changes to corporate policy or procedure that may affect the ethics of the company, and to formulate solutions to be submitted for approval by the Board of Directors;
- to propose to the Board of Directors any amendments or updates to be made to the Code.

The Board of Directors has the following duties in relation to the Code of Ethics:

- to take decisions concerning material breaches of the Code which are reported by the Supervisory Committee;
- to pass resolutions concerning changes to key policies and procedures in order to ensure consistency with the Code of Ethics;
- to carry out periodic reviews of the Code.

### **6.4 Reporting**

As already stated in paragraph 2, any reports (even those made in verbal and/or anonymous form, if considered strictly necessary provided that the report is well referenced) concerning a violation, suspected violation or requested violation of the Code of Ethics must be submitted to the Supervisory Committee for review. The committee will if necessary consult the person making the report and the person responsible for the alleged violation.

The Supervisory Committee guarantees that individuals making such reports will not be subjected to any form of retaliation, discrimination or penalisation. Their identity

will also be kept confidential, subject to legal requirements and obligations to protect the Company.

#### **6.5 Violations of Code of Ethics**

The Supervisory Committee will report to the Board of Directors concerning any violations of the Code of Ethics that emerge as a result of reports or its monitoring activities. It will then indicate any remedial action that may be deemed necessary.

At the initiative of the Board of Directors, the relevant company departments will then take the necessary action, ensure that it is implemented, and report to the Supervisory Committee with the results.

#### **6.6 Disciplinary measures against employees and executives**

Violations of the rules of this Code of Ethics may result in the application of disciplinary measures as provided for in the specific internal memorandum “Disciplinary measures against employees and executives in the event of violation of the Organisational Model pursuant to legislative decree 231/2001 and the Code of Ethics” affixed to the company notice board in accordance with art. 7 of law No. 300/1970 and in application of the national collective labour agreement.

#### **6.7 Disciplinary measures against directors and self-employed workers**

All contracts and orders given to self-employed workers (temporary workers, agents and subcontractors etc.) include penalty clauses which also provide for the right to terminate the contract if the worker or firm in question violates the Code of Ethics.

If the Code of Ethics is violated by a director or self-employed worker, the Supervisory Committee must inform the Board of Directors and Board of Auditors that will take the most appropriate action in accordance with the Italian Civil Code, including a claim for any compensation.