

CODE OF ETHICS

relative to

**ORGANIZATION, MANAGEMENT AND
CONTROL MODEL**

of

WALTER TOSTO S.p.A.

Table of contents

INTRODUCTION	4
1.1. WALTER TOSTO SPA’s Model and Purposes of the Code of Ethics.....	4
1.2. Recipients of the Code of Ethics.....	4
1.3. Code of Ethics Distribution and Training	4
1.4. Structure of the Code of Ethics	5
SECTION A: ETHICAL PRINCIPLES OF REFERENCE	5
a.1. Accountability and Compliance with Laws	5
a.2. Fairness.....	5
a.3. Impartiality.....	5
a.4. Honesty.....	5
a.5. Integrity	6
a.6. Transparency	6
a.7. Efficiency	6
a.8. Fair Competition.....	6
a.9. Protection of Privacy	6
a.10. Value of Human Resources	6
a.11. Relations with the Community and Environmental Protection.....	7
a.12. Relationships with Local Entities and Public Institutions	7
a.13. Relations with Associations, Union Organizations and Political Parties.....	7
a.14. Relations with International Operators.....	7
a.15. Rejection of all Forms of Terrorism	7
a.16. Protection of the Individual	7
a.17. Protection of Health and Safety on Workplace.....	8
a.18. Protection of Transparency in Commercial Transactions (Anti-Money Laundering).....	8
a.19. Rejection of Criminal Organizations.....	8
I.20. Protection of Industrial Property and Intellectual Property Rights.....	8
I.21. Collaboration with the Legal Authorities during Investigations	8
I.22. Correct Use of Information Systems	9
SECTION B - PRINCIPLES AND RULES OF CONDUCT.....	9
b.1. Principles and Rules of Conduct for the members of Corporate Bodies.....	9
b.2. Principles and Rules of Conduct for WALTER TOSTO SPA’s Personnel	9
b.2.1. Conflicts of Interest	10
b.2.2. <i>Relations with Public Authorities</i>	10

b.2.3.	<i>Relations with Customers and Suppliers</i>	10
b.2.4.	<i>Participation in Tenders</i>	11
b.2.5.	<i>Confidentiality</i>	11
b.2.6.	<i>Diligence in the Use of Company Assets</i>	11
b.2.7.	<i>Balance Sheet and Other Corporate Documents</i>	11
b.2.8.	<i>Health and Safety on workplace</i>	11
b.2.9.	<i>Anti-Money Laundering/Receipt of Stolen Goods</i>	12
b.2.10.	<i>Use of Computer Systems</i>	12
b.3.	Principles and Rules of Conduct for Third-Party Recipients	12
b.4.	Reporting to the Supervisory Body	13
SECTION C. IMPLEMENTATION AND VERIFICATION OF COMPLIANCE WITH THE CODE OF ETHICS		14
c.1.	Supervisory Body's Duties	14
c.2.	Violations of the Code of Ethics and Relative Sanctions	14
c.3.	Reports on Possible Violations of the Code of Ethics	14

INTRODUCTION

On June 8, 2001, the Italian legislator enacted Legislative Decree No. 231 (hereinafter, also called the ‘Decree’) containing the “Regulations on the administrative liability of corporations, companies and associations, including those without legal status” (hereinafter, also called, ‘Entities’ and, individually, ‘Entity’).

The Decree introduced into Italian law the principle of liability of the Entities for offenses committed in their own interest or for their benefit by employees and/or other persons referred in Art. 5 of the Decree (e.g., the Entity’s directors, audit committee members, executives and representatives, as well as the persons under their direction or supervision), unless, among other conditions, the Entity has adopted and effectively implemented an appropriate organization, management and control model (hereinafter also simply called the ‘Model’).

1.1. WALTER TOSTO SPA’s Model and Purposes of the Code of Ethics.

In accordance with the Decree, WALTER TOSTO SPA established its Model, aimed at preventing the risk of committing relevant offenses pursuant to the Decree.

This Code of Ethics (hereinafter, for brevity, called ‘Code of Ethics’ or simply, the ‘Code’) is an integral part of the Model adopted by WALTER TOSTO SPA, containing, moreover, the general principles and rules of conduct which the Company recognizes as positive ethical values and with which all Recipients of the Code must comply.

The Code conforms to the principles outlined in the Confindustria Guidelines in the version recently updated on March 31, 2008.

1.2. Recipients of the Code of Ethics

This Code is mandatory for all directors, audit committee members, its employees, including executives (hereinafter jointly referred to as ‘Personnel’), without exception, as well as all those who, although outside the Company, work, directly or indirectly, for WALTER TOSTO SPA (e.g., attorneys, agents, collaborators under any status, consultants, suppliers, business partners, hereinafter indicated as ‘Third Party Recipients’).

All this persons will be hereinafter collectively referred to as ‘Recipients’ of the Code.

All Recipients are therefore required to comply with and, within their respective duties, enforce the principles contained in the Code of Ethics, which also applies to the activities carried out by the Company abroad. Under no circumstances does the claim to act in WALTER TOSTO SPA’s interest justify the adoption of behaviors that conflict with those set forth in this document.

Compliance with the provisions of the Code must, in particular, be deemed an essential part of the contractual obligations of the Company’s employees pursuant to the provisions of Art. 2104 et seq. of the Civil Code.

Violation of the Code of Ethics damages the relationship of trust with the Company and may lead to disciplinary action and payment of damages, without prejudice, for Company employees, of compliance with the procedures set out in Art. 7 of Law No. 300 of May 20, 1970 (the so-called Workers’ Statute), the collective bargaining agreements and any corporate regulations adopted by WALTER TOSTO SPA.

1.3. Code of Ethics Distribution and Training

The Company is committed to ensuring the timely internal and external distribution of the Code of Ethics through:

- distribution to all members of corporate bodies and all Personnel;
- posting in a location accessible to all;
- making it available to Third Party Recipients and any other parties on the Company’s website and the corporate intranet.

The Supervisory Body, appointed by the Company according to the Decree, promotes and monitors periodic training on the principles of this Code, also scheduled in consideration of the need to differentiate activities based on the roles and responsibilities of the resources involved, through the provision of more intensive training characterized by a higher degree of detail for those classified as 'top position persons' in the spirit of the Decree, as well as those operating in areas classified as "at risk" under the Model.

Contracts with all Third Party Recipients also contain clauses and/or declarations intended to formalize the commitment to compliance with the Model and the Code of Ethics, and to govern the contractual penalties, in the event of a violation of that commitment.

1.4. Structure of the Code of Ethics

This Code consists of three sections:

- a) the first section details the general ethical principles that identify the reference values in the Company's operations;
- b) the second details the behavioral rules set for the Recipients;
- c) the third governs the implementation and control mechanisms for the correct application of the Code of Ethics.

By resolution of the Shareholder's Meeting, the Code of Ethics may be amended and supplemented, also on the basis of suggestions and indications originating from the Supervisory Body.

SECTION A: ETHICAL PRINCIPLES OF REFERENCE

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

a.1. Accountability and Compliance with Laws

WALTER TOSTO SPA holds as an essential principle respect of the laws, regulations, and, in general, the rules in force in Italy and in all Countries where it operates, as well as the democratic order established therein.

Recipients are required to comply with the regulations in force in Italy and in other Countries where the Company operates. In any case it is permitted to commit violations of the law in the interest of the Company.

This principle must be considered valid both in regard to the activities carried out within Italian territory, and those relative to existing relationships with international operators.

a.2. Fairness

The Recipients must act correctly in order to avoid cases of conflicts of interest, generally understood as being cases where the pursuit of their own interest is contrary to the Company's interests and mission. In addition, it is necessary to avoid situations through which an employee, director or other Recipient may obtain an undue advantage and/or profit from opportunities they learn during, and in connection with, the performance of their activity.

a.3. Impartiality

WALTER TOSTO SPA disavows and rejects any principle of discrimination based on sex, nationality, religion, personal and political opinions, as well as on the age, health and economic conditions of its counterparties, including its suppliers.

Resources who believe that they have suffered discrimination may report the fact to the Supervisory Body, which will verify the actual violation of the Code of Ethics.

a.4. Honesty

The Recipients must be aware of the ethical significance of their own actions and must not pursue personal or corporate profit in violation of the laws in force and the regulations of this Code.

a.5. Integrity

WALTER TOSTO SPA does not approve or justify any acts of violence or threat intended to produce conducts contrary to the regulations in force and the Code of Ethics.

a.6. Transparency

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

In accordance with the principle of transparency, every operation and transaction must be correctly recorded, authorized, verifiable, legitimate, consistent and fair.

All actions and operations must be duly recorded, and it must be possible to verify the decision-making, authorization and execution process.

For each operation, it is necessary to have appropriate backup documentation in order to be able, at any time, to perform the controls that attest to the operation's features and motives and to identify the persons who authorized, performed, recorded and checked the operation itself.

The Company uses objective and transparent criteria for selecting suppliers. This choice, according to the rules in force and internal procedures, must be based on objective assessments concerning the competitiveness, quality and economic conditions applied.

The supplier will be selected according to its ability to guarantee:

- compliance with the Code of Ethics;
- implementation of adequate corporate quality systems, where applicable;
- availability of suitable organizational means and structures;
- compliance with labor legislation, therein including matters of child labor and women's labor, the health and safety of the workers, union rights or in any case, the rights of association and representation.

Specific operating procedures are provided for to document the entire process of selection and purchasing, in order to guarantee maximum transparency of the operations for the evaluation and choice of the supplier.

a.7. Efficiency

In any work-related activity it is necessary to pursue cost effectiveness in the management and use of corporate resources, in accordance with the most advanced quality standards.

a.8. Fair Competition

WALTER TOSTO SPA recognizes the value of competition when it is inspired by principles of correctness, fair competition and transparency for the operators present in the market, engaging not to unduly damage the image of competitors and their products.

a.9. Protection of Privacy

WALTER TOSTO SPA engages to protect Recipients' privacy, in compliance with the regulations in force, in order to avoid the communication or dissemination of personal data without the consent of the person involved.

Acquisition and processing, as well as storage of personal information and data of Personnel and other persons whose data is available to the Company, are done in accordance with specific procedures, compliant with the regulations in force, aimed at preventing them from being learned by unauthorized persons and/or entities.

a.10. Value of Human Resources

Human resources are recognized as a fundamental and indispensable factor in corporate development.

WALTER TOSTO SPA fosters professional growth and development in order to increase the wealth of skills the Company possesses, in accordance with the regulations in force on matters of individual rights, particularly in regard to Personnel's moral and physical integrity.

WALTER TOSTO SPA engages not to favor forms of cronyism and nepotism, and not to establish any kind of employment relationship with persons involved in acts of terrorism.

Personnel are hired only on the basis of regular employment contracts, as any form of illegal labor is not tolerated. The candidate must be made aware of all the characteristics relative to the employment relationship.

The payment of salary increases and the access to senior positions and roles (promotions) are linked, in addition to the rules set forth by the law and the collective bargaining agreement, to the employees' individual merits, including the ability to display organizational behaviors and skills based on the Company's ethical principles of reference, as indicated in this Code.

a.11. Relations with the Community and Environmental Protection

The Company engages to protect the environment and contribute to the territory's sustainable development, also by using the best available technologies and constantly monitoring corporate processes, along with the identification of industrial solutions with lower environmental impact.

All of WALTER TOSTO SPA's activities must be conducted in order to comply with environmental regulations.

a.12. Relationships with Local Entities and Public Institutions

WALTER TOSTO SPA pursues the objective of maximum integrity and fairness in relationships, including contractual relationships, with public institutions and, in general, with the Public Administration, including the request and/or management of public funding, in order to guarantee maximum clarity in institutional relationships, in harmony with any economic operator's need for organizational and managerial autonomy.

The relationships with institutional counterparties are maintained exclusively through the persons delegated for this purpose.

a.13. Relations with Associations, Union Organizations and Political Parties

WALTER TOSTO SPA does not make direct or indirect contributions to finance political parties, movements, political and union committees and organizations, or to their representatives or candidates.

a.14. Relations with International Operators

WALTER TOSTO SPA engages to guarantee that all its existing relationships, including those of a commercial nature, with parties operating at international level, take place in full compliance with the laws and regulations in force, in order to avert the danger of committing transnational offenses.

In this regard, the Company engages to adopt all precautions to verify the reliability of these operators, as well as the legitimate source of the funds and means used by the latter in relationships with the Company.

a.15. Rejection of all Forms of Terrorism

WALTER TOSTO SPA rejects all forms of terrorism and intends to adopt, in its operations, appropriate measures to prevent the risk of being involved in acts of terrorism. For this purpose, the Company engages not to establish any work-related or commercial relationships with parties, be they individuals or corporations, involved in acts of terrorism, and not to finance or otherwise facilitate any of the latter's activities.

a.16. Protection of the Individual

WALTER TOSTO SPA recognizes the need to protect individual freedom in all its forms and rejects every expression of violence, especially if intended to limit personal freedom, and any phenomenon of child prostitution and/or pornography.

a.17. Protection of Health and Safety on Workplace

WALTER TOSTO SPA is completely committed to pursuing the objective of guaranteeing health and safety in the workplace.

For this purpose, the Company adopts the most appropriate measures to avoid the risks connected to its corporate operations and, when this is not possible, for a suitable evaluation of the existing risks, in order to combat them directly at source and guarantee their elimination or, if this is not possible, their management.

In its activity, WALTER TOSTO SPA engages to adapt work to people, therein including the design of work stations and the choice of work equipment and work and production methods, especially to mitigate monotonous and repetitive work, and to reduce the effects of such work on health.

In matters of health and safety, WALTER TOSTO SPA engages, among other things, to operate:

- a) taking into account the degree of technical evolution;
- b) replacing any dangerous items with non-dangerous or less dangerous items;
- c) adequately planning prevention and striving to achieve a consistent system that takes into account and integrates technology, work organization, working conditions, social relationships and the influence of work environment factors;
- d) giving priority to collective safety measures over personal safety measures;
- e) giving appropriate instructions to Personnel.

Recipients must follow these principles, especially when decisions or choices must be made and later, when they must be implemented.

a.18. Protection of Transparency in Commercial Transactions (Anti-Money Laundering)

WALTER TOSTO SPA has as its principle the fullest transparency in commercial transactions and prepares the most appropriate instruments to combat money laundering and receipt of stolen goods.

a.19. Rejection of Criminal Organizations

WALTER TOSTO SPA rejects any form of national or transnational criminal organizations (especially Mafia-type associations).

The Entity adopts the appropriate measures to prevent the danger of its or its' employees' involvement in relationships and activities performed in any way and using any methods, even in the form of mere assistance and help, with these organizations. The Entity adopts appropriate measures to prevent the danger of its or its employees involvement in relationships and activities entertained, in any way and with any form, including in the form of mere assistance and help, with these organizations.

I.20 Protection of Industrial Property and Intellectual Property Rights

WALTER TOSTO SPA complies with regulations on protection of trademarks, patents and other distinctive marks and on copyright matters.

WALTER TOSTO SPA does not allow the use, in any way and for any purpose, of products with counterfeit trademarks and signs as well as the manufacturing or marketing or, in any case, any activities relative to products which were already patented by third parties and on which it does not have rights.

I.21 Collaboration with the Legal Authorities during Investigations

WALTER TOSTO SPA recognizes the value of the judicial and administrative function and pursues the objective of maximum integrity and fairness in relations with the competent Authorities.

For this purpose, it prohibits any behavior aimed at, or capable of, interfering with investigations or inquiries carried out by the competent Authorities and, in particular, any conduct intended to obstruct the search for truth, also by inducing persons called by the judicial Authorities not to make statements or to make false statements.

I.22 Correct Use of Information Systems

The Company pursues the objective of properly use of computer or telecommunications services, to ensure the integrity and authenticity of the data processed, to safeguard the interests of the Company and of others, with particular reference to the Authorities and public institutions.

For this purpose, WALTER TOSTO SPA adopts appropriate measures to ensure that access to telecommunications and computer data takes place in strict compliance with the regulations in force and respecting the privacy of the persons possibly involved and in order to guarantee the confidentiality of the information so that its processing is done by parties expressly authorized to do so, preventing undue interference.

SECTION B - PRINCIPLES AND RULES OF CONDUCT

b.1. Principles and Rules of Conduct for the members of Corporate Bodies

Corporate bodies, being aware of their responsibilities, in addition to compliance with laws, current regulations and the Company By-laws, are required to comply with the provisions of the Model and the Code of Ethics, which is a part thereof.

Their members are required:

- to behave in a manner inspired by autonomy, independence and correctness with public institutions, private persons (including corporate creditors), economic associations, political parties, and also with any other national and international operator;
- to behave in a manner inspired by integrity, loyalty and sense of responsibility to the Company;
- to evaluate the cases of conflict of interest or incompatibility of functions, assignments or positions outside and inside WALTER TOSTO SPA, refraining from acting in cases of conflict of interest within their own activity;
- to confidentially use the information they learn by reason of their job, avoiding the use of their position to obtain personal advantages, whether direct or indirect;
- to comply, within the limits of their responsibilities, with the rules of conduct dictated for Personnel in paragraph b.2 hereinafter.

b.2. Principles and Rules of Conduct for WALTER TOSTO SPA's Personnel

Personnel must inform their conduct, both in internal relations and with persons outside the Company, with the regulations in force, the principles of the Model and of this Code of Ethics.

With reference to the Model, it is necessary:

- a) to avoid engaging in, or causing or collaborating in, behaviors likely to constitute any of the cases of offenses mentioned in the Decree;
- b) to collaborate with the Supervisory Body during the course of the inspection and oversight activities it performs, providing the information, data and elements it requests;
- c) to communicate the reports provided in Paragraph b.4 of this Code to the Supervisory Body;
- d) to report to the Supervisory Body any dysfunctions or violations of the Model and/or Code of Ethics, according to paragraph 3, Section C of this Code.

Personnel may address the Supervisory Body at any time, either in writing or verbally, and also in order to request clarifications and/or information relative to this topic, for example:

- interpretation of the Code of Ethics and/or the other protocols related to the Model;
- legality of a certain actual behavior or conduct, as well as its opportunity or compliance with the Model or the Code of Ethics.

b.2.1. Conflicts of Interest

Personnel must avoid engaging in or facilitating transactions in conflicts of interest - actual or potential - with the Company, and any activity that interferes with the ability to make impartial decisions in the Company's best interest and in full compliance with the rules of this Code.

Personnel, in particular, should not have any financial interest in a supplier, a rival firm or a client and cannot perform works that could involve the creation of a conflict of interest.

Whenever a member of Personnel finds himself in a case of conflict of interest, even a potential case, he must communicate that fact to his superior and to the Supervisory Body, refraining from taking any action.

b.2.2. Relations with Public Authorities

All relations with persons who can be classified as Public Officials or Public Service Officers must be conducted in full compliance with laws and regulations in force, in addition to the Model and the Code of Ethics, to ensure the complete legitimacy of all Company operations.

Within the limits indicated hereinafter, WALTER TOSTO SPA's Personnel are forbidden to accept, offer or promise, also indirectly, money, gifts, goods, services, benefits or favors (including in terms of employment opportunities or of activities - including commercial activities - directly or indirectly traceable to the employee) in their relations with Public Officials or Public Service Officers, to influence their decisions, in view of more favorable treatments or undue benefits or for any other purpose, including the performance of their official functions.

Wherever connected to the aforementioned relations, any request or offer of money, gifts (except those of modest value, understood as those customarily presented in connection with the circumstances), favors of any kind, given or received by Personnel, must be promptly reported to their hierarchical superior and to the Supervisory Body.

Gifts and acts of courtesy to Public Officials, Public Service Officers or other public employees are permitted only when, being of modest value, they do not in any way compromise the integrity and independence of the parties and cannot be interpreted as a tool to obtain undue advantages.

In any case, during negotiations or any other relations with the Public Administration, Personnel must refrain from engaging, directly or indirectly, in actions intended to:

- propose employment and/or business opportunities from which it is possible to derive benefits, for themselves or for others, to the Public Administration employees or their relatives or kin;
- request or obtain confidential information that may compromise the integrity or reputation of one or both parties.

In the event of investigations, inspections or requests by the Public Authority, Personnel must ensure the necessary cooperation.

b.2.3. Relations with Customers and Suppliers

Personnel must base relations with customers and suppliers on maximum correctness and transparency, compliance with the laws and regulations in force, the Model and Code of Ethics, as well as internal procedures and, in particular, those relative to customer relations and those on the subject of purchasing and selection of suppliers.

The rules of behavior indicated above are valid, and must be complied with as such, also in relations with international operators.

b.2.4. Participation in Tenders

In connection with participation in tender procedures and award of contracts, it is necessary to:

- act in compliance with the principles of fairness, transparency and good faith;
- assess, in the examination phase of the tender or contract notice, its congruity and possibility of performing the services requested;
- provide all data, information and particulars requested in the selection of participants relevant to the awarding of the tender or contract;
- in the case of public tenders, maintain clear and proper relations with the public officials in charge, avoiding any conduct that might compromise the official's freedom of opinion.

b.2.5. Confidentiality

Personnel should treat with absolute confidentiality, even after the termination of the employment relationship, the data, news and information they obtain, avoiding their disclosure or use for personal or third parties' speculative purposes.

b.2.6. Diligence in the Use of Company Assets

Personnel must protect and preserve the Company's values and assets entrusted to them, and help protect WALTER TOSTO SPA's assets, avoiding situations that could adversely affect the integrity and security of these assets.

b.2.7. Balance Sheet and Other Corporate Documents

Personnel should pay particular attention to the task of preparing the balance sheet and other corporate documents.

In this regard, it is necessary to ensure:

- an appropriate cooperation with the corporate functions in charge of drafting company documents;
- the completeness, the clarity and the accuracy of the data and information provided;
- the compliance with accounting principles.

b.2.8. Health and Safety on workplace

In matters of health and safety on workplace, WALTER TOSTO SPA's Personnel must, in particular:

- a) take care of their own health and safety and that of other persons present in the workplace, who are affected by the results of their actions or omissions, in accordance with the training, instructions and means provided by the employer;
- b) contribute, together with the employer, executives and supervisors, to the fulfillment of obligations to protect workplace health and safety;
- c) comply with the provisions and instructions given by the employer, executives and supervisors, for the purposes of collective and individual protection;
- d) properly use work equipment, hazardous substances and preparations, transportation vehicles and safety devices;
- e) properly use the safety devices at their disposal;
- f) immediately inform the employer, executive or supervisor of defects in the equipment and devices referred to in letters d) and e), as well as any hazardous conditions of which they become aware, taking action directly in urgent cases, within their skills and capabilities and without prejudice to the obligation referred to in letter g) below, in order to eliminate or reduce cases of serious and imminent danger, reporting it to the workers' safety representative;
- g) not to remove or modify safety, signaling or control devices without authorization;
- h) care for the personal safety equipment issued to them, without making any modification to it on their own initiative and reporting possible defects or inconveniences to the employer or executive or supervisor;

- i) not to carry out at their own initiative operations or maneuvers which are not within their duties or which may compromise their own safety and that of other workers;
- j) participate in education and training programs organized by the employer;
- k) submit to medical checkups provided by current regulations or ordered by the competent physician.

b.2.9. Anti-Money Laundering/Receipt of Stolen Goods

Personnel must adopt all instruments and appropriate precautions to ensure the transparency and correctness of commercial transactions.

In particular, it is mandatory, moreover, that:

- a) the tasks entrusted to any service companies and/or individuals who care for the Company's economic/financial interests are drawn up in writing, indicating the contents and economic conditions agreed upon;
- b) the competent functions ensure checks on the regular payments to all counterparts and it is always verified that the person to whom the order is issued and the person who collects the respective amounts are the same;
- c) controls are made on the financial flows relating to relationships (payments/infragroup operations) with the Group's companies (also including those abroad);
- d) all necessary information regarding suppliers' and partners' commercial/professional reliability is requested and obtained;
- e) in the case of execution of agreements/joint ventures intended to make investments, maximum transparency is guaranteed.

b.2.10. Use of Computer Systems

In the performance of their own professional activities, Personnel must use the computer or electronic instruments and services in full compliance with current regulations on the subject (and particularly on the subject of computer crimes, computer security, privacy and copyright) and internal procedures.

In particular, Personnel are prohibited from:

- unauthorized access to a computer or telecommunications system;
- unauthorized possession and unauthorized disclosure of access codes for computer or telecommunications systems;
- dissemination of equipment, devices or computer programs intended to damage or interrupt a computer or telecommunications system;
- illegal interception, obstruction or interruption of computer communications or telecommunications;
- damaging information, data and computer programs and computer or telecommunications systems.

Personnel may not upload loaned or unauthorized software on company systems; furthermore, it is forbidden to make unauthorized copies of programs, which were granted or licensed, for personal, corporate or third-party use.

Personnel must use the computers and electronic instruments made available by the Company exclusively for corporate purposes.

b.3. Principles and Rules of Conduct for Third-Party Recipients

In addition to the members of corporate bodies and Personnel, this Code of Ethics and the Model also apply to Third-Party Recipients, that persons outside the Company who work directly or indirectly for WALTER TOSTO SPA (by way of example and not limited thereto, attorneys, agents, collaborators under any status, consultants, suppliers, commercial partners).

Third-Party Recipients are, therefore, obliged to comply with the provisions of the Model and this Code and, within the limits of their respective duties and responsibilities, with the ethical principles of reference (see Section A) and the rules

of conduct dictated for WALTER TOSTO SPA's Personnel (see Sec. B, paragraph 2).

In the absence of express commitment to comply with the rules of this Code of Ethics, WALTER TOSTO SPA will not execute and/or continue any relationship with the Third-Party Recipient. For this purpose, special clauses intended to confirm the Third-Party Recipient's obligation to fully comply with this Code are included in the letters of appointment and/or in negotiated agreements, and to provide, in case of violation, for the issuance of a warning notice for full compliance with the Model or the application of penalties or, also, the termination of the contract.

b.4. Reporting to the Supervisory Body

Recipients are required to promptly report to the Supervisory Body when they learn of violations, including potential violations, of laws or regulations, of the Model, the Code of Ethics, and internal procedures, within WALTER TOSTO SPA's operations.

In any case, it is mandatory for the following information to be immediately transmitted to the Supervisory Body:

- A. information relevant to violations, including potential violations, of the Model, including, without limitation thereto:
 - 1) any orders from superiors found to be in conflict with the law, internal regulations, or the Model;
 - 2) any requests or offers of money, gifts (exceeding a modest value) or other benefits from, or destined to, public officials or public service employees;
 - 3) any significant departures from the expense budget or irregularities that emerge from requests for authorization during the financial statement phase of Management Control;
 - 4) any omissions, negligence or falsification in bookkeeping or storage of documents that the accounting records are based on;
 - 5) measures and/or notices received from the judicial police or any other authority regarding the performance of investigations involving, including indirectly, the Company, its employees or members of corporate bodies;
 - 6) requests for legal assistance made to the company by employees in accordance with the National Collective Bargaining Agreement, in the event that criminal proceedings have been initiated against them;
 - 7) information relative to disciplinary proceedings underway and any penalties imposed or the reasons for their dismissal;
 - 8) any reports, not promptly discovered by the relevant functions, relative to both deficiencies and inadequacies of the workplaces, equipment, or safety devices made available by the Company, and any other hazardous situation related to health and safety on workplace;
 - 9) any deviation found in the evaluation process for bids compared to the provisions of corporate procedures or predetermined criteria;
 - 10) information relative to the existence of an actual or potential conflict of interest with the Company.

- B. in relation to the Company's operations, which may be relevant for the Supervisory Body's performance of its assigned duties, including without limitation thereto:
 - 1) the reports prepared as part of their activities by Internal Managers;
 - 2) information relative to organizational changes or changes related to corporate procedures in force;
 - 3) updates to the system of powers of attorney and proxies;
 - 4) decisions relative to requests for, provision and use of public financing;
 - 5) summary schedules for tenders, which are public or of public importance, at the national and local level, which the Company participated in and won the job; and the summary schedules for orders eventually obtained as a result of private negotiations;
 - 6) periodic reports on workplace health and safety matters; in particular the minutes of the periodic meeting note in Art. 35 of Legislative Decree No. 81/2008, and all data on work accidents which occurred at the Company's sites; any updates on the Health and safety Risk Assessment Document; the report by the Competent Physician on irregularities encountered during periodic or scheduled visits;

- 7) the annual balance sheet, together with the supplementary notes and the statement of assets and liabilities;
- 8) the communications from the Audit Committee, on each criticality that occurred, even if it was resolved.

Communications to the Supervisory Body may be made, including anonymously, either by email (at the address organismodivigilanza@waltertosto.it) or in writing to the address: Organismo di Vigilanza, WALTER TOSTO SPA, Via Piaggio 54 – 66100 Chieti Scalo.

In each case, the Supervisory Body will ensure that the person who makes the communication, if identified or identifiable, is not subject to reprisals, discrimination or penalties, therefore assuring confidentiality (except in the event of possible legal obligations that require otherwise).

SECTION C. IMPLEMENTATION AND VERIFICATION OF COMPLIANCE WITH THE CODE OF ETHICS

c.1. Supervisory Body's Duties

Verification of implementation and compliance with the Model and the Code of Ethics is entrusted to the Supervisory Body.

Without prejudice to the provisions of the document titled "Statute of Supervisory Body" (which is an integral part of the Model), in relation to this Code, the Supervisory Body's duties are, moreover, the following:

- verify compliance with the Model and Code of Ethics, in order to reduce the danger of committing the offenses provided in the Decree;
- make its own comments relative to ethical issues that might arise in corporate decisions and presumed violations of the Model and Code of Ethics which it learns of;
- provide all clarifications and explanations requested to the interested parties, including those concerning the legitimacy of an actual behavior or conduct, or the correct interpretation of the provisions of the Model or Code of Ethics;
- follow up and coordinate the update of the Model and Code of Ethics, including through its own adaptation/update proposals;
- promote and monitor the Company's implementation of communication and training activities on the Model and, in particular, the Code of Ethics;
- report any violations of the Model or Code of Ethics to the competent corporate bodies, proposing the sanction to be levied and verifying the effective application of any sanctions levied.

c.2. Violations of the Code of Ethics and Relative Sanctions.

In regard to the classification of violations of the Model, including matters relative to the Code of Ethics, and the applicable sanctions and the notice procedure for violations and application of sanctions, see the provisions of the disciplinary system adopted by WALTER TOSTO SPA in accordance with the Decree (hereinafter, also 'Disciplinary System'), which is an integral part of the Model.

c.3. Reports on Possible Violations of the Code of Ethics

If a person who is required to comply with the Model and this Code of Ethics learns of a fact and/or circumstance that is likely to cause danger of their violation, he is obliged to promptly report it to the Supervisory Body.

The Company has set up the appropriate dedicated communications channels to facilitate the process of reporting to the Supervisory Body.

In particular, communications to the Supervisory Body may be made, including anonymously, either by email (at the address organismodivigilanza@waltertosto.it) or in writing to the address: Organismo di Vigilanza, WALTER TOSTO SPA, Via Piaggio 54 – 66100 Chieti Scalo.

In any case, the Supervisory Body will ensure that those who make such reports are not subject to reprisals, discrimination or penalties, thus ensuring adequate confidentiality for these persons (except in the event of any legal obligations requiring otherwise).



walter tosto 
S.p.A.