



Code Of Conduct

Approved by the Board of Directors of Italtel S.p.A. at its meeting of 12 November 2015



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MESSAGE FROM CEO

We want to be a company that achieves challenging objectives on the market by offering our **Customers** innovative products and important services for their success in full observance of fair and ethical competition behaviour and regulations.

We believe that it is essential to place maximum attention on the development of products, the adoption of production methods and the utilization of energy and other resources in line with the sustainability and protection of the **Environment**.

We undertake to ensure that our **People** work in a safe, nimble and innovative environment, that will stimulate ideas and personality and be compatible with their aspirations in the personal, family and professional sphere.

We are confident, and we engage in the **Research and Development** of technologies and innovative solutions that can respond to the more significant challenges of our civilization, such as general access to health services, the safeguarding and improvement of the environment, the safety and security of people and of the artistic and cultural heritage, the education of children and continuous training in the world of work and in the years to come.

Convinced that they play an important role for our business, in our relationship with our **Partners** we want to use the most correct, transparent and responsible procedures to purchase their products and services adopting, among other things, the “responsible payments” principle.

Lastly, in our relationship with our **Shareholders** and with all the other stakeholders, we are aware of how important it is to have correct, complete, prompt and transparent information given in our balance sheets, in our financial and economic forecasts, in our communications to the market, and we therefore confirm and consolidate our commitment in this direction.

Our **Code of Conduct** is a collection of rules and principles of honesty and integrity we have set ourselves and that each one of us must know, respect and apply in our work, irrespective of the position covered and the geographical area in which we operate. All of us must make the maximum commitment to make sure that our business choice is oriented on the company’s success, whilst fully observing legislation and the standards endorsed by our Code.

I am convinced that if we operate according to these values, safeguard the health of individuals, protect the environment, use all possible means to oppose corruption and, under all circumstances, act in a fair manner, will help us to maintain the esteem and respect of our stakeholders and be a successful company that is at the same time competitive, healthy and sustainable.

Stefano Pileri CEO Italtel

GOALS AND RECIPIENTS

1.1 GOALS

Italtel adopts as an inspiring principle, in the execution of its activities, in the definition of strategic guidelines, in the management of the company and in the development of its business, in Italy and abroad, the observance of current legislation and standards within the framework of the ethical principles mentioned above.

Operating in an international dimension, and strongly rooted in local realities, the present Code of Conduct (the “Code”) expresses the commitment and ethical responsibility that the companies in the Italtel Group intend to observe, uphold and promote.

Italtel believes that presence and competitiveness on the market must not only be conducted in full observance of the applicable regulations on competition, but also from the standpoint of social responsibility and environmental protection, for a correct and functional utilization of resources and in respect of future generations. This is why, in all the Group’s companies, ethical principles inspire operations and behaviour in both the implementation of business processes and in the management of internal processes.

1.2 RECIPIENTS

The Code is aimed at all Italtel Group employees, associates, administrators and auditors and, in general to all persons who operate, in Italy or abroad, on behalf of or in favour of the Group or who have business relations with the latter (the “Recipients”). Each of the Recipients, in relation to their functions and responsibilities, shall be bound to observe the principles and content of the Code.

DIFFUSION AND EFFICACY

2.1 COMMITMENT OF ITALTEL

To permit the implementation of the Code's principles, Italtel shall:

- Assure its diffusion to all Recipients and record acceptance of said Code by external parties;
- Update it to bring it into line on each separate occasion with the evolution of civil consciousness and the standards involved;
- Make available tools enabling persons to gain a comprehensive knowledge regarding the interpretation of the principles contained therein, aimed at its effective implementation;
- Make appropriate periodical checks aimed at preventing possible infringement;
- Make available to Recipients a reserved communication channel through which to report suspected infringement of said Code;
- In the event of ascertained infringement, assess facts and circumstances and, if considered necessary, carry out the appropriate measures in the form of sanctions;
- Protect Recipients from possible retaliation they may undergo for having provided information regarding possible infringement.

2.2 COMMITMENT OF RECIPIENTS

The Recipients are bound to become acquainted with the content of the Code and to act according to the business conduct criteria to which it inspires. Specifically, they must:

- Abstain from behaviour in contrast with the principles contained therein;
- Apply to their manager, their internal contact point or the Code of Conduct Committee in the case of doubt or even only to obtain clarification on the method of application of the principles;
- Promptly refer to their manager, their internal contact or the Business Conduct Committee information relating to possible infringement or any pressure that may lead to infringement;
- Support and promote the conduct criteria to which it inspires.

2.3 BUSINESS CONDUCT COMMITTEE

The Business Conduct Committee is constituted by managers of the *Legal, Human Resources and Internal Audit functions*.

For clarification or reporting of infringements to the Code's regulations, the Recipients can apply to the Business Conduct Committee by sending an e-mail to comitato_etico@italtel.com, or by phoning the dedicated number **+39 02 4388 2421**.

2.4 CODE OF CONDUCT INFRINGEMENT

Italtel requests that the conduct of all the Code of Conduct Recipients be in line with the general principles indicated in the Code. All Recipients must therefore avoid any behaviour that is against said principles.

The adoptions of procedures, rules and instructions for this purpose by Italtel is aimed at ensuring that the behaviour of the Recipients is consistent with the code's principles. Infringement of the principles and content of the Code of Conduct shall constitute non-compliance with the obligations envisaged in a contractual relationship or employment, with the consequent possibility of applying remedies in the form of sanctions set out by current regulations on this subject.



ETHICAL PRINCIPLES





HUMAN RIGHTS

3.1 SAFEGUARDING OF THE PERSON

Italtel conducts its activity in full observance of a person's basic rights, guaranteeing all people equal opportunities on the job, with no distinctions of any kind regarding gender, civil status, sexual orientation, religious faith, political or union opinions, race, ethnic origin, nationality, age or disadvantage.

Italtel promotes interpersonal work relationships oriented on reciprocal respect for the rights, dignity and liberty of every person, avoiding the creation, encouragement or tolerance of a hostile or intimidating work environment and the perpetration of any form of harassment or abuse of a physical, sexual, psychological or verbal type. Italtel supports initiatives promoted by bodies or organizations concerned with joint projects to encourage the protection of people, health or social development.

3.2 SAFEGUARDING OF PRIVACY

Italtel acquires, preserves, uses and communicates the personal data of employees and of all physical and legal persons (guests, customers, suppliers, competitors, partners, consultants and any other party that operates directly or indirectly with the companies in the Group) that come into its possession for business reasons, advisability or on other grounds, in observance of personal data treatment regulations and exclusively for purposes connected with company operations.

Italtel collects and uses sensitive data solely in cases envisaged by current regulations and in observance of the latter.

3.3 SAFEGUARDING OF HEALTH AND SAFETY ON THE JOB

The protection of human resources is Italtel's primary objective.

Italtel protects with preventative action the health, safety and hygiene of workplaces and the physical and psychological well-being of all persons who work in the Group's companies or for the Group's companies, including customers, suppliers and occasional guests in all the locations where it operates.

Italtel promotes the safety and security culture by developing risk awareness and urging responsible behaviour on the part of all workers.

Italtel pays particular attention during the product purchase phase to ensure that when they are used, such products will safeguard the health of workers and for whom they must not constitute, per se, a source of danger.

Italtel develops its organization by attributing specific responsibilities and tasks to each company function and by issuing a policy for the environment, health and safety of the workplace and internal procedures on this matter, whose observation is requested of employees and external associates.

Italtel adopts all possible and reasonable prevention and protection measures to maintain the health and safety of its employees and to eliminate potential causes of accident or occupational diseases.

LABOUR

4.1 SAFEGUARDING OF WORKING CONDITIONS

Italtel acknowledges the centrality and fundamental role played by human resources and safeguards and promotes the value thereof, in order to improve and grow the assets and skills possessed by each person, by following a policy based on the recognition of merit and by contemplating specific programs aimed at professional updating, retraining and growth.

Italtel conducts its operations whilst fully observing the current regulations for the safeguarding of working conditions in all the countries where it operates.

Italtel pays maximum attention to ensure that all aspects of employment regulations are in operation and assure the health, safety and dignity of workers and equal opportunities: the place and hours of work, the minimum working age, remuneration, vacations, justifiable absences, paid leave, compensation for overtime and all other basic provisions. It also encourages initiatives to facilitate an equilibrium between professional and private life.

4.2 SAFEGUARDING OF FREEDOM OF ASSOCIATION

Italtel acknowledges and respects the right of workers to freely associate and to collectively bargain, in compliance with current regulations in all the countries where it operates.

Italtel also continues to maintain an active social dialogue with staff representatives and union organisations with a view to favouring close collaboration between the parties.





ENVIRONMENT AND INNOVATION

5.1 SAFEGUARDING OF THE ENVIRONMENT

Italtel considers the safeguarding of the environment and the protection of natural resources as high-priority targets and is engaged in meeting the environmental standards of all the countries where it operates.

Italtel promotes actions that guarantee sustainable development and the protection of the environment via the adoption of procedures and operational practices able to reduce the environmental impact of all activities. It specifically:

- Adopts processes to improve efficiency in the use of resources (such as, for example, energy, water, raw materials) and to limit waste production;
- Introduces controls to minimize the release of emissions that are dangerous for the environment;
- Designs products and solutions that offer the best utilization guarantees, from when they are installed until their disposal at the end of their life, with the lowest possible impact on the environment;
- Selects suppliers also on the basis of the eco-sustainability principles they adopt and their commitment towards the adoption of technologies and models that support the environment.

Moreover, Italtel encourages all employees and external associates to contribute to the protection of the environment in the course of their work.

5.2 SAFETY AND ENVIRONMENTAL COMPATIBILITY OF PRODUCTS AND SERVICES

Italtel's priority target is to promote and encourage eco-sustainability principles that can be seen along the entire *supply chain* through purchasing practices aimed at reducing unfavourable impacts on the environment.

Every company in the Italtel Group verifies that these practices are applied and sustained by its suppliers and sub-suppliers, for both goods and services, in order to:

- Develop and grow the relationship with virtuous suppliers by directing their purchasing intentions towards these suppliers;
- Set up and sustain a "short" *supply chain* logic, at both beginning and end, by reducing transport costs, CO₂ emissions and greenhouse gases.

In comparing the products to be purchased, Italtel takes into consideration short and long-term logic as well as the cost of the entire life cycle, orienting its choice towards those products whose certification meets electromagnetic emission and safety regulations, are also designed for easy and efficient recycling, significantly increase energy-saving and reduce the wasting of resources.

To conclude, Italtel places a great deal of attention on new themes (such as *de-manufacturing* and *re-manufacturing*) oriented on the identification of the more appropriate ways of activating a virtuous cycle for disassembly, radiation and the reuse of product components that have reached the end of their life.

5.3 TECHNOLOGICAL INNOVATION TO IMPROVE THE ENVIRONMENT AND THE QUALITY OF LIFE

Italtel wants to be an active protagonist of technological innovation. Its mission – “*Let's make people and things, technologies and networks communicate, with no limitations*” – expresses the role that Italtel wants to have in directing the use of innovation to the improvement of the environment and the quality of life. Italtel is active in the development of its own solutions and technologies, as it is in participation in collaborative research projects at international level and in the promotion of technological innovation.

Italtel operates to ensure that technology may have a positive impact on the environment and on the quality of life in the various areas of the so-called *Smart cities*, such as *Energy Management*, for the monitoring of consumption and the optimum use of the energy resource, *Energy Efficiency*, for the efficient management of networks and the production of energy from renewable sources, *Digital Health (e-Health and Tele-Health)*, the monitoring of the environment and mobility.

BUSINESS CONDUCT

6.1 FAIRNESS, LOYALTY, CONFLICT OF INTEREST

The behaviour of the Code Recipients must be based on the principles of honesty, correctness, moral integrity, transparency and mutual respect, open to verification and also based on correct and complete information.

Within the context of a reciprocal relationship of trust and loyalty between Italtel and its employees, the latter are allowed to take on consultancy assignments or other responsibilities on behalf of third parties provided they are authorized in advance in writing by Italtel; instead, it is not permissible to conduct activities that are against the interests of the company or incompatible with employees' own office duties.

All employees are informed and aware that observance of the Code's rules is an essential part of their contractual obligations, in the context of a relationship of trust and loyalty with the companies in the Group.

Italtel employees, at any level, must avoid conditions that may lead to situations involving a conflict of interest with the company or interfere with their ability to make impartial decisions.

Italtel applies special internal rules to identify situations that may involve a potential conflict of interest.

Should an employee or a party holding powers of signature and representation find themselves in a situation involving a potential conflict of interest, they should inform their manager and, if necessary or even if advisable, refrain from taking any decision on behalf of Italtel.

6.2 OPPOSITION TO CORRUPTION

Italtel conducts its operations in a lawful manner and in observance of anticorruption laws. Only the company functions expressly authorized to do so may make commitments with the public administration and with public institutions on behalf of the companies in the Group.

It is not permissible to offer or promise representatives of the public administration or of public institutions benefits of any nature, for said representatives or for others, in order to promote or favour Italtel interests.

Should employees receive requests for benefits of any nature from public functionaries, they must immediately notify their manager or report it to the Business Conduct Committee.

Also in its relations with individuals, Italtel's conduct has always been inspired by integrity and a refusal to make any recourse to unlawful means: in no case and for no reason is it possible to take into consideration the possibility of offering or requesting a third party or accepting from the latter illegitimate favours or direct or indirect personal advantages for oneself or for others.

Special procedures and guidelines have been developed and applied in all the companies in the Italtel Group to govern relationships with public parties and regulate the allocation of gifts and entertainment expenses in relation to both public and private third parties.

6.3 FAIR COMPETITION

Italtel pursues its success as an enterprise by offering quality products and services, on competitive terms, in observance of regulations put in place to safeguard fair competition.

In particolare, no agreement is permitted with competition concerning public and private bids, the definition of prices and other terms and conditions of sale, the allocation of customers and the division of markets.

It is fundamental for Italtel that communications and information on its products and services and on the companies in the Group are entirely complete and correct. For this reason Italtel encourages communications that are transparent and not misleading, and considers it appropriate that relations with the *mass media* be handled exclusively by the designated company functions, in line with its communications policy.

Participation, on behalf of or representing Italtel, in committees and associations of any type (whether they be scientific, cultural or of the industry category) must always be authorized in writing by the appropriate functions, in observance of current company procedures.

6.4 INDEPENDENCE FROM POLITICAL AND UNION ORGANIZATIONS

Italtel only has contacts with politicians and union members through the official channels and in an institutional context.

Italtel does not finance or in any way support political parties or political or union organizations.

6.5 SAFEGUARDING OF COMPANY ASSETS

Italtel safeguards its assets and those with which it has been entrusted, whether they be tangible or intangible, in order to assure in time the implementation of company operations in the interests of its shareholders, customers and employees.

Company information processing resources, in particular, are of vital importance for the operations performed. Consequently, special procedures and internal regulations have been adopted to govern their use, for the purpose of guaranteeing their integrity, availability, correct use and security.

6.6 INTERNAL CONTROLS

Italtel has an internal control system to verify the attainment of the targets the company has set and the efficiency of the various company activities.

Operations executed and decisions taken are traced by means of especially established internal authorization procedures. The company system for the management of powers and delegations of authority contemplates that there be well-defined, previously established powers and financial limits to operations, differentiated according to the positions covered by individual people and their hierarchical level within the organization.

The auditors appointed to certify company balance sheets and the *Internal Audit* function, responsible for supervising the internal control system, are assured access to data, documentation and information useful for the implementation of their respective activities.

6.7 SECURITY OF INFORMATION

Italtel protects and safeguards its confidential information and information shared with its customers and marketing partners.

Confidential information is made available solely to those persons who need it for company purposes on the undertaking that said information will be treated and used according to high standards of confidentiality. The same criteria are also applied to the handling of information relating to third parties of which Italtel comes into possession in relation to its operations.

Since the security and the safeguarding of the information processing resource constitute an essential condition for the attainment of business objectives, a system has been especially adopted and certified at Italtel for the security management of information in those company areas dedicated to the supply of maintenance and support services to customer-operated networks.

6.8 SAFEGUARDING OF INDUSTRIAL AND INTELLECTUAL PROPERTY

Italtel expresses its identity also through its trademark and the commercial names of its products that it safeguards by means of the tools made available by current legislation, in the different markets in which it operates. The proprietary software is safeguarded by copyright laws and protected by appropriate security measures since it forms an integral part of the company's assets.

In addition to performing its activity in conformity with current industrial and intellectual property laws, Italtel has also approved and applies special internal procedures and guidelines to prevent the infringement of the industrial and intellectual property rights of suppliers, industrial and marketing partners and, in general, of third parties with whom the company has business relations.

6.9 ACCOUNTING AND FINANCIAL REPORTING

Italtel ensures that the information given in balance sheets, periodical financial reports and in both general and analytical accounting are correct, complete, accurate and reliable and fully observe regulations and the applicable accounting principles. Every operation, accounting or management act is adequately documented.



Italtel S.p.A – a sole proprietorship with share capital of €2,000,000.00.

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