

CODE OF ETHICS  
GRUPPO MANNI



# INDEX

<b>1. The Group and its history</b>	<b>4</b>
1.1 Our history	4
<b>2. The ethics for the Manni Group</b>	<b>6</b>
2.1 The code of ethics in the hierarchy of the Manni Group's legal sources	6
2.2 The code of ethics in the values system	7
2.3 Values	8
<b>3. Relations with individuals inside and outside the Group: principles and rules</b>	<b>11</b>
3.1 Relations and values philosophy	11
3.2 Safety at work	16
3.3 Suppliers	18
3.4 Institutions	19
3.5 Shareholders	21
3.6 Environment	23
<b>4. The code of ethics application</b>	<b>25</b>
4.1 Tools for the code of ethics application	25
<b>5. Recipients and obligations</b>	<b>29</b>
5.1. Recipients and obligations	29

# 1 THE GROUP AND ITS HISTORY

## 1.1 OUR HISTORY

In 1945 Luigi Manni set up an individual trading company of scraps and second choice steel products, for construction and mechanical uses, giving way to the entrepreneurial adventure.

The development started in the sixties, under Giuseppe Manni's direction, with the transformation of the activities: the company evolved into "Manni Prodotti Siderurgici" (1960), founded to trade steel products that were not recuperated anymore, but from steel production and, in 1969, it moved in the "Agricultural and Industrial Zone" (ZAI), investing in the development of the trading of laminated beams', profiles' and pipes', trading and changing its name to Manni Siderurgica.

The seventies and early eighties marked the beginning of the industrial activities: Sipre (1972), the first pre-processing centre of laminated beams in Italy, is built in Mozzecane (Verona), while the "Officine Riunite e F.lli Lancini" (1980) is purchased in Crema. Manni Esa started in Crema (1987) and was the second pre-processing centre of standard and special metal sheets and distribution centre of heavy plates of the north-west regions. From that moment the acquisitions have quickly followed each other and the group has begun a successful growth.

Then it is the turn of "Isopan" in Frosinone (1988), for the insulated metal panels production, and of "Commerciale Siderurgica Veronese" (1993) which is converted into "Lancini", specialised in beams manufacturing.

In the nineties, the "Manni Group S.p.A." was founded (1995), it is an industrial holding that incorporates "Siderfinanziaria S.p.A." (created in 1986). "Icom Engineering" was founded (1996) for the design and "turnkey" supply of complex metal structures. Its focus was mainly on the foreign market, a step that marks the beginning of the design aspect. In parallel to its company development, the Verona holding progressively specialised its market orientation by streamlining the organisational structure that, together with the acquisitions, permitted to develop strategic areas in Italy and abroad. The year 2000 marked a new milestone: in order to become a financial instrument for new investments and acquisitions, the new industrial holding "Manni HP group S.p.A." was created to, as its first task, deliberate

on the project to “Europeanise” the major companies.

A first insulated panels production plant is launched, “Isopan Iberica” in Spain (2001), which was followed by the opening of “Sipre France” (2002). “Isopan East” was also founded in Romania (2007) and was the production company through which the Group aimed to increase its presence in emerging European markets.

In Italy a majority of shares of “Malavolta S.p.A.” (2001) was acquired, a generalist company and beams service centre in the central region of Italy. In 2002 another Isopan plant was built in Trevenzuolo (VR). The rest is current history: the acquisition of “Eurosider” coils service centre in Verona, later qualified in the field of stainless steel with services of Inox distribution and manufacturing (2006), the purchase of 50.1% of “CMM” (2006), the opening (2008) in Jesi (AN) of a new “Malavolta” generalist warehouse and the launching in Goito (MN) of a “Manni Sipre” centre for long products sales activities. These are the last acts of a journey undertaken by the Group more than half a century ago.

“C.S.I” (Inox Service Centre) was founded in 2008 in Verona, and began its business of Inox sheets service centre. In Mozzecane a new storage facility (17,000 m<sup>2</sup>) was opened (2010) and it will host, in the next few months, a distribution and pre-processing centre of steel products (laminated, tubes, angles). “Manni Energy”, the youngest of the Manni Group companies, was founded in response to the growing demand for “turnkey” photovoltaic systems and has been operational since January 2011.

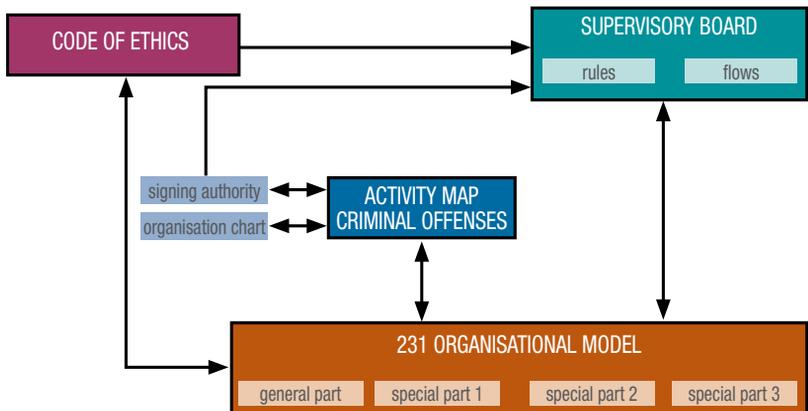
# 2 THE MANNI GROUP'S ETHICS

## 2.1 THE CODE OF ETHICS IN THE HIERARCHY OF THE MANNI GROUP'S LEGAL SOURCES

The progression that led to the adoption of the Code of Ethics can be harmoniously integrated with other regulation sources which are the backbone of the Manni Group's practical deontology.

The standards of behaviour are in fact expressed by a structure made of a set of rules, a complex system of risk levels assessment, and of a collegial body that carries out the function of Committee for the Code of Ethics Implementation and of Supervisory Board according to the Legislative Decree 231/2001.

The structure provides the following tools:



a) The **code of ethics** contains:

- a presentation of the Manni Group and of its history;
- the statement of basic values;
- the description of the organisation chart for the relations with individuals inside and outside the group;
- the statement of general rules that are usually applicable to such relations on the basis of the expressed values.

b) The **organisational model - general rules** contains:

- the description of the rules defined by the Legislative Decree 231/2001 and of its implications and evolutions;
- the criteria used for the creation of the 231 system to prevent underlying criminal offenses;
- the description of the system followed to create “the criminal offenses activity map” and of the meaning of table’s entries that make up the map.

c) **The system of functions and responsibilities:**

- the business functions, the responsibilities and assignments of acting and representation powers are mapped in relation with the responsibility in the processes’ management that can lead to the criminal offenses (sensitive processes);
- the representation is developed through the interactions designed in the organisation chart.

d) **The Supervisory Board:**

the rules and the flow of reporting documents qualify the Supervisory Board’s roles and responsibilities, which also carry out the functions of Committee for the implementation of the Code of Ethics.

## 2.2 THE CODE OF ETHICS IN THE VALUES SYSTEM

For the Manni Group, the formalisation of the Code of Ethics represents the apex of an evolutionary process developed over the business years.

In line with the ideology and beliefs that have always been the foundation of the business’ activities, it felt the need to spread the concept of “Ethical Business” to all individuals of the organisation and to all those who directly or indirectly come into contact with it was being felt.

The need to unequivocally define the Group’s ethical-social-enterprise vision has grown over time, hand in hand with the ethical-social evolution of the recent years. That shows an increasing need for transparency and clarity to all corporate actors. In this perspective, the adoption of the 231 Organisational Model can be considered an integral part of the Code of Ethics.

The development model proposed is the one of a Group that is on the market:

- as a carrier of high moral values;
- in full compliance with the applicable laws;
- ensuring a fair competition with the other organisations operating in the same sector;

- allowing new employment opportunities;
- developing the ability to combine the economic implications with the social aspects of corporate life.

These presuppositions are the roots of the Group's Vision, which provides a complete involvement of human resources in understanding the clients' real needs.

Loyal to its basic choices, Manni Group is based on honesty and transparency, democracy, equity and solidarity values and forces itself to comply with this Code of Conduct in all its internal actions or the ones that are directed to the outside world.

In this context, the present Code of Ethics is a reference to which all persons participating in the activities of the companies controlled by Manni HP Group (and in the first place who are responsible for the management) must conform the conduct.

This implies that the acceptance of the rules, roles, structures and related responsibilities whose violation, while not determining corporate liability to third parties, will bring the subject who is not adapted to respond inside and outside the Group.

## 2.3 VALUES

### 2.3.1 TRUST

Manni Group can not succeed without the trust of all those who daily give their input, even in presence of partially conflicting interests. Trust is based on a shared mission and on compliance, by anyone, with the values and requirements of this Code: everyone strives to comply strictly to the Code. The non-compliance with this code is not compatible with the work carried out by the person at any level.

Natural corollary to what is written above is mutual respect, within the assigned roles, leading to a cooperation between players that is characterised by an overall urbanity of manners and by a language that conforms to the attitude of politeness that must reign inside and outside the Group.

### 2.3.2 HONESTY AND TRANSPARENCY

Manni Group must ensure that its representatives and employees are aware of the ethical significance of their actions and do not pursue personal or corporate profit at the expense of the compliance with the applicable laws and standards presented here. In particular, it must prevent the illicit advantages attributed to clients or suppliers.

Manni Group must ensure that its representatives and employees do not operate in situations in which they hold for their own or on behalf of third parties, interests that are in conflict with those of their contractual counterparts. In addition, the Group must ensure that its representatives and employees reflect clarity, honesty and diligence at the company's image in all their dealings and facilitate its understanding. For this purpose, the more complete and transparent information regarding the guidelines of the social activities must be insured.

### 2.3.3 CENTRALITY OF HUMAN RESOURCES

The human resources development, the respect of the Manni Group's leaders autonomy and the incentive based on their participation in business decisions are the fundamental principles for the Manni Group's leaders who will arrange training programs aimed at enhancing the professionalism and preserving and developing the skills acquired during the collaboration.

### 2.3.4 JOB PROTECTION

Manni Group must ensure that its representatives and employees take into account the specific circumstances and avoid discriminatory and opportunistic conducts. It is also mandatory not to discriminate on the basis of race, religion, sex, political views and physical disabilities. It must also ensure that its representatives and employees take all safety measures required by the technological evolution and that the workers' physical integrity and the moral personality are guaranteed.

Finally, to better protect the workers' rights and the growth of the economic democracy, Manni Group is committed to cultivate good and continuous relations with unions' associations and workers' protection organisations.

### 2.3.5 ENVIRONMENT PROTECTION AND SAFEGUARDING

The Group operates in full compliance with environmental regulations. In addition, environmental protection is pursued through various research activities likely to find productive solutions with the minor possible environmental impact in terms of production, use and removal.

### 2.3.6 SOCIAL RESPONSIBILITY

The "company's social face" is represented by the company's way of being and doing. Manni Group believes that the company should fundamentally be able to enhance the human capital, in all its aspects, with its related

knowhow. Skills alone are not enough to ensure a development that is appropriate to today's reality. However, it's necessary for people to invest their entire self so that they can responsibly manage every aspect of the company's activities in order for the company to develop itself with its people and its interactions and relations with the external society.

In addition, to be considered ethically responsible, the company must adopt management models that ensure respect and protection of human rights, as well as the wellbeing of the environment and the community.

### **2.3.7 LOYALTY, FAIRNESS AND COMPLIANCE WITH THE APPLICABLE STANDARDS**

Fairness and loyalty, combined with the transparency described above, are deemed essential values by the Group. The Group's commitment to fairness is maximum and therefore it is expected that all Group's members endorse these values as an essential element.

The economic performance is certainly critical for the survival of a business, but the goal is to achieve results in a correct way and by striving to ensure compliance with the rules.

The Group acts as a promoter of these values and expects that all those who in one way or another interact with the organisation adopt the same principles.

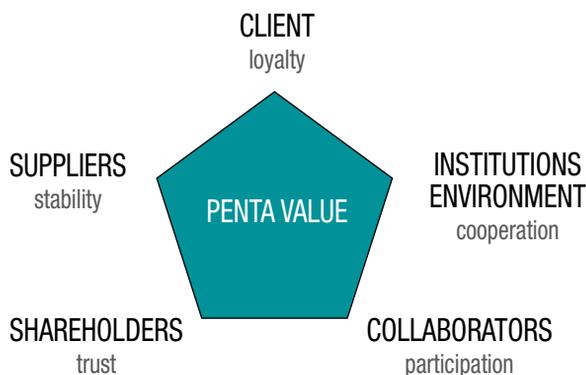
The relations with competitors are based on the fair competition principle .

Therefore, the Group is committed to respect and enforce national laws, international regulations and practices recognised and related to the activities, including through the prevention of criminal offenses and the application of the 231 Model.

# 3 RELATIONS WITH INDIVIDUALS INSIDE AND OUTSIDE THE GROUP: PRINCIPLES AND RULES

## 3.1 RELATIONS AND VALUES PHILOSOPHY

The so-called *Penta Value* is the Emblem of the Group's philosophy; it summarises the intangible assets developed in line with the Strategic Vision and with the referenced corporate Values.



Experience shows that value creation comes from long-term growth combined with a strong focus on the intangible heritage and on proper attention to the risks.

The *Penta Value* shows the assets to achieve this growth.

### 3.1.1 CLIENT

1. Efficiency support
2. Services offer
3. Product innovation
4. Rules for the relations with clients

People who are able to interact with the client and the market may help to identify the business and the future evolution of its needs.

The businesses in which we operate, particularly the steel business, are mature businesses, where Commodity products are normally produced. The only way to differentiate and add value to these assets is to focus on the development and to offer related high level services.

With these iterations, the value is created not only for the company, but also for all persons in relation with it.

Our clients are always the centre of attention and are the starting point and the point of arrival of our business. The orientation towards business research and development comes from the client's needs. Value is created for the company only if value is created for the client.

The evolution of our Group is also indebted to the constant growth of the number of clients and their loyalty over time. Therefore, the products and services we offer, and the patrimony of technology and even business ethics that characterises the Group, are tools used to be able to repay that loyalty with proposals that are more in line with clients' expectations.

### *Rules for the relations with clients*

The relations with clients must be continually reinforced through service efficiency and quality, the level of technological development and products reliability, as well as timely accurate and truthful information about the services offered.

The Group's staff has to:

- respect the internal procedures for the client's relation management.
- deliver high quality services that meet or exceed the clients' reasonable expectations and needs with efficiency and courtesy and in compliance with the contractual requirements.
- provide, with efficiency and courtesy, accurate and comprehensive information concerning the issues, the price and the modality of products and services delivery, so the clients can make conscious decisions.
- provide advertising materials, or other, truthful communications.

The Group is committed to ensure adequate quality standards of services based on predefined levels and to use modern methods of testing and measuring to assess the level of client's satisfaction in order to take corrective actions and make improvements (Service Chart, direct contact with clients, market research).

The Group is committed to respond to suggestions and complaints received from clients and client protection associations, using appropriate and timely communication systems (mail, e-mail, fax, telephone, internet sites).

To this end, special facilities are dedicated to this kind of dialogue, providing explanations or solving problems exposed from time to time by individual clients.

### 3.1.2 COLLABORATORS

1. Professional development
2. Culture and human values
3. Recognition

The people and their development are the assets on which to further improve in order to create value that is recognisable over time. The value creation for employees is expressed in every action that improves their human and professional development.

The value created is measured by the level and quality of the cooperation received.

As for top management roles, directing or being a manager means having an overall view and sharing the company's mission and objectives, demonstrating leadership and excellent people skills.

Representing the company and being aware of the functions and responsibilities arising there from.

Also the manager, seeing clearly how the business activities are related and interdependent, as responsible, looks for integration mechanisms of the company's subsystems and adopts the most appropriate synchronisation methods.

It is always necessary to analyse the facts, use data and achieve the planned objectives. It is important to finally be able to counter the strategy of complaint, the culture of prejudice, the search for an alibi as a mean to escape from the our own responsibility. In order to fully assume large and small responsibilities, doing the full role, it's necessary to have the humility to continuously review the perfect harmony of your own work against the company's strategies by respecting its choices, priorities and values.

There are multiple styles that shape themselves according to the profile of men who manage the divisions, units and departments of our Companies.

Without renouncing to be ourselves, the commitment is to create a Manni style!

Our group is presented with such a commitment to the growth of its management and, at the same time, considers to still have significant areas for improvement in the market, to be able to calmly look at the difficult competitive challenges that it faces.

### 3.1.3 MANNI GROUP'S EMPLOYEES

#### *Politics*

Employees are requested to have an ethical approach, an appropriate behaviour, as well as to display commitment and professionalism. It is

essential to have visions that are innovative and that can change when the market scenarios change in order to maintain and improve the current quality standards.

This scenario generally imposes to companies a business that is critical and essential for the success of the company, with targeted investments for the staff management and development through a logical chain whose links are:

- the selection of the persons that are more suitable for the specific function;
- skills development;
- employees evaluation (position, performance, potential);
- creation of a rewarding pay system.

For the selection of people a deep understanding of the role they must cover and the tasks they must perform is needed. Knowledge development calls for full awareness of the experience already acquired and is the prerequisite to feed an assessment system that is as standardised and transparent as possible. This later is complete if it is linked to an equally transparent pay system that allows to weigh the real contribution of each collaborator to the achievement of corporate objectives.

### *Disciplinary code and rules of conduct for employees*

This Code of Ethics refers directly to the Disciplinary Code for all employees of the Manni Group's companies. The Disciplinary Code, that is now integral part of the Code of Ethics, sets out the basic rules applicable to the entire Group. Given the complexity of the organisational group, though not expressed, please refer to the disciplinary codes of the single organisational units that explain in a way that is relevant to the competent business reality for anything not mentioned in detail here.

### *Work documents*

Before starting the service, the employee must produce and release the necessary working papers, provide information on his/her family composition and will have to promptly notify the employer of any changes of residence and in the family unit.

The Group assumes no responsibility for any statements omitted, incorrect or reticent.

Each company in the Group reserves itself the right, in the limits given by the actual law related to employment, to submit the employee to medical examination.

Hereunder are listed the requirements of the Disciplinary Code (for the part common to all Group's companies) which, having direct influence on the explanation of the Manni Group's values, are an integral part of the rules of the Code of Ethics.

### *Conflict of interests*

All employees of the Manni Group's companies are expected to avoid situations where they may experience conflicts of interests and where they can have a personal advantage in terms of business opportunities which have been brought to their attention during the performance of their functions.

For example, conflict of interests may result from the following situations:

- having economic interests with suppliers, clients or competitors (shareholding, professional roles, etc...) also through family members and/or an intermediary;
- carrying out a professional activity, even for a family member and/or intermediary, by suppliers;
- accepting money or favours from people or companies that are or intend to enter in business relations with the company.

If even only the appearance of a conflict of interests occurs, the employee must notify it to his/her manager, who, with regards to the provided modalities, shall inform the parent company that assesses case by case the effectiveness of the conflict. The employee is also required to give information about the activities conducted outside of working hours, in case they may appear in conflict of interests with the company.

### *Discipline and Hierarchy*

The worker will have to:

- work with assiduity and diligence;
- strictly observe confidentiality, even with family members, on all matters of the Group's companies and on any kind of documents. The documents should never be removed by the companies for any reason and at the end of the workday they must be kept in a safe place and out of the everyone's reach;
- do not do business on for themselves or on behalf of third parties in competition with the Company's activities.

In the working areas, it is forbidden to:

- do political campaigning, fundraising, collections of signatures or other;
- smoke, introduce and consume food without the permission of the management outside the areas reserved for that purpose;
- leave their workplace, spend time in other places, use machines, documents or objects other than those assigned.
- use phone, fax, and new information tools (e-mail and Internet) for personal reason without the management's permission.

Each employee is responsible for the resources entrusted to him/her and must inform the Units about any threats or damaging events for the Group. The Group reserves itself the right to prevent the inappropriate use of goods and infrastructure through the use of accounting systems,

reporting of financial control and of risk and analysis prevention, while respecting the requirements of the applicable laws (law on privacy, Workers' Statute, etc.).

With regard to information applications, each employee is required to:

- carefully comply with the requirements of the corporate security policies, in order not to compromise the functionality and protection of the information systems;
- do not send threatening or insulting e-mail messages, do not use low-level language, do not make inappropriate comments that may offend the person and/or the corporate image;

Do not surf on websites with indecent and offensive contents. The use of all company's assets ends with the cessation of employment.

### 3.2 SAFETY AT WORK

Manni Group has always distinguished itself by giving the maximum attention to issues of liability in case of work incidents. The operating procedures are constantly updated. The specific regulations, including those of the sector, are applied in an extremely scrupulous way and the detailed rules, as far as possible, are extended to all processes extending the prevention guarantees.

The system is standardised on a group level and monitored by the intervention of the Supervisory Board appointed under the Legislative Decree n° 231/2001.

The organisational model developed under the Legislative Decree n° 231/2001 applies at a Group level on all the activities. All this constitutes a management system adapted to the OHSAS 18001:2007 standards and to the UNI-INAIL guidelines; these latter constitute the leading principles for the preparation of this organisational model and can be summarised in the following structural phases.

All this constitutes a management system that is adapted to the OHSAS 18001:2007 standards and to the UNI-INAIL guidelines; these guidelines constitute the leading principles for the preparation of this organisational model and can be summarised in the following structural phases:

**Initial Examination:** this phase is manifested in the fact-finding investigation of the company's reality and in the dynamic confrontation between the activities and risky cases.

**Politics:** following the risk assessment, the company has established priorities and guidelines for the implementation of the countermeasures;

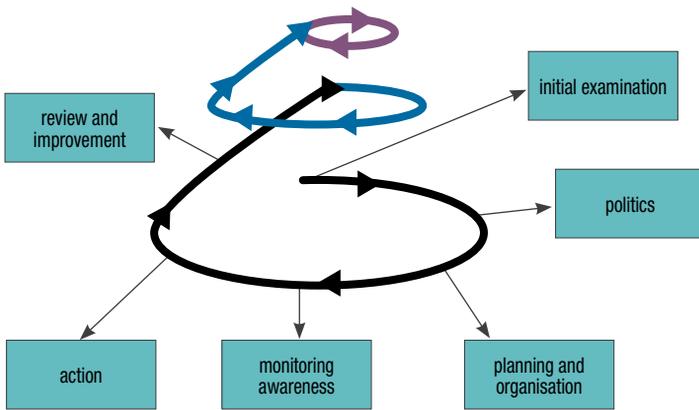
**Planning and organisation:** we have identified innovations and modifications of the structures and of the operating procedures necessary to face the identified risks;

**Sensibilisation:** the staff has been convened to be trained and updated on the findings of the risk assessment and on the new procedures.

**Monitoring:** The Supervisory Board is responsible for monitoring the matters entrusted to its competence and to implement the interventions in case of incorrect behaviours;

**Review and improvement:** The Manni Group’s Risk Assessment Document is continuously evolving thanks to the entities in charge, which suggest and implement the necessary changes.

The graphical representation of the cyclic sequence is as follows:



The Manni Group’s employees are considered, according to the definitions of Legislative Decree n° 81/2008, as “creditors of security”: this means that the company is going to seal all the materials and training conditions, to prevent anything that could negatively affect workers’ health and safety.

The requirements stated in the Consolidated Act and in its relevant the complementary and supplementary regulations are therefore scrupulously observed and the resulting spending relies on a specific budget that allows to operate without any narrowness.

On the other hand, the worker is also “debtor of security”, regarding his/her colleagues and him/herself: therefore he/she must comply scrupulously with all the regulations of his/her competence, operating instructions and requirements of using equipment and personal protective equipment.

With regards to this, the audit system, which is kept constantly updated with the evolution of legislations and practical operational situations, makes use of the Supervisory Board appointed under the Legislative Decree n° 231/2001.

### 3.3 SUPPLIERS

1. Relations development
2. Consumption growth
3. Products quality

There is also a value created for suppliers who are not seen as antagonistic. The Group's propensity is towards finding long lasting relations set on partnerships, rather than towards individual business, so as to ensure its performance continuous improvement.

The traditional propensity for partnerships with local suppliers is being enriched with the recent collaboration with suppliers of different cultures and backgrounds belonging to the global market, while maintaining the inevitable tendency for solidarity and the respect of working conditions in terms of relations safety and fairness.

Manni Group also pays attention to the most scrupulous observance of the products safety standards, and more generally of the essential quality criteria that have always characterised its offer.

The creation of value for suppliers comes from our increased presence on the market, due to higher volumes generated from our Service Centres that make available, in a few days, huge volumes of products almost ready to install and also to the continuous transfer of information that allow the special relations. In the choice of suppliers and external collaborators, Manni Group strives to seek counterparts that are characterised by professionalism and commitment to share the values contained in this Code of Ethics.

#### **Suppliers' evaluation and qualification**

The suppliers' evaluation by Manni Group intends to be an opportunity for their growth and development. Manni Group adopts specific procedures that make measurable the supplier's skills to improve the performance if they present anomalies that may affect the maintenance of its qualification.

All those involved in the acquirement within the Group, and more generally in the purchase of goods and services or in cooperation agreements with external parties, must strictly operate by following some basic principles such as:

- information to the partners of the Group's principles and values;
- compliance with the existing internal procedures regarding the selection and management of relations with suppliers and external collaborators;
- selection of counterparties through objective and transparent evaluation criteria;
- developing partnerships with suppliers and collaborators in such a way as to ensure the maximum client satisfaction in terms of cost, products/services quality and delivery times;
- use of products and services that are acquired in the best possible market conditions

- in compliance with the applicable laws;
- compliance with the provided terms and conditions;
- information to the Management of any problems that may arise in carrying out such activities.

### 3.4 INSTITUTIONS

1. Development in social activities
2. Social relationship
3. Social Balance
4. Rules for the relation with the Institutions

Also the value to the Institutions is part of our *Penta Value*.

The Group does not propose an real Social Report, but has developed what is called the “Company’s Social Face”. Just for the awareness of the importance of the Institutions, the “Company’s Social Face” is displayed annually during the Shareholders meeting which is open also precisely to the Institutions as well as to all the Group’s stakeholders so that they themselves have to confirm, with approval, the Group’s Social Face.

The company’s social face is represented by the company’s way of being and doing.

The attention to multiculturalism is continued, with activities aimed at the integration of employees coming from different ethnic groups. The research and innovation activities are constantly the hallmarks of our work. They are also an important growth opportunity for employees who have the possibility to contribute to it.

Specifically, the Group’s most important companies develop Research and Innovation projects in collaboration with some universities and consultants. The Group has maintained, even with the initiatives proposed by collaborators, a number of charity projects such as the support of the Dubbo Hospital in Ethiopia.

#### 3.4.1 THE PRINCIPAL RULES FOR THE RELATIONS WITH THE INSTITUTIONS

Manni Group develops with the institutions ongoing relations of collaboration and communication that exclusively concern:

- the regulatory and administrative activities relating to the Group’s activities.,
- environmental protection,

- risks prevention.

The Group's directors, employees and collaborators act in relation with the institutions with integrity and fairness. The Group has adopted an organisational model specifically for the prevention of criminal offenses against the public administration.

#### *Relations with regulatory authorities*

Manni Group is committed to provide all the information required in a full, fair, adequate and timely way to the national and local authorities appointed to control and regulation of services.

#### *Relations with the community*

The Group is committed to pay attention to requests coming from the communities in which it operates, promoting consulting, information and involvement initiatives. This is particularly true for communities living near its facilities

#### *Support for social and cultural initiatives*

For supporting social and cultural initiatives and for sponsorships, Manni Group adheres to the criteria defined in the organisational model, taking into consideration only activities consistent with its own strategic objectives, with the principles of environmental and social responsibility, with addresses explicitly assumed by the Board of Directors.

Manni Group does not make donations of any kind to political parties and candidates in elections and abstains itself from any form of pressure, to public representatives, that could provide business benefits.

#### *Donations and liberality*

In any donations and concession of liberality, Manni Group follows the principles defined by the organisational model, focusing on initiatives that provide a guarantee of quality, which are distinguished by the ethical message transmitted and that - in coherence with its mission - contribute to social development.

### **3.4.2 SPECIFIC RULES FOR THE RELATIONS WITH THE PUBLIC ADMINISTRATION**

It is prohibited to the corporate bodies, to management, to employees and external collaborators of each Groups company, to give or promise gifts, money, benefits and/or any other profit, personal and not, as part of the Group's activities, such as to give rise, in an impartial third party, even the suspicion of having acted in its interest and on behalf of it, except for gifts of modest value attributable to the

normal courtesy or business practices.

Any gifts of small value or acts of courtesy or hospitality, such as not to compromise the integrity or reputation of on of the party, in any case must be approved in advance.

The relations with public officers or persons in charge of public service, with public subject and/or individuals that provide public services, and - in any case – any relationship with public character, must always be guided by the strictest compliance with the requirements of the applicable law, the principles of honesty and fairness, and with the respect for the existing procedures.

The management of relations with Public Administration officers is exclusively restricted to business functions authorised. In the relations with the Public Administration, the recipients must not improperly influence the decisions of the authorities concerned, particularly the officers who treat or decide on their behalf.

The recipients, in the carrying out of activities on behalf of the Group, can not accept or receive gifts in excess of the normal practices of courtesy, or the usual working relationship. They can not, in any case, receive or accept money or other goods, easily converted into cash.

## 3.5 SHAREHOLDERS

### 3.5.1 THE BASIC SCHEME OF THE CORPORATE GOVERNANCE

The success formula to solve the governance problem requires that each configuration occurs very early and that are provided at the top precise rules for the succession or for the turnover in case of need. You must separate the figure of capital the representatives from the representatives of management in the different bodies. Partly as a result of this separation, it's necessary to complete mutual trust in the relations between shareholders and management representatives. The lesion of the fiduciary relationship removes the continuation of any kind of relationship. The logic to indicate the managers is to privilege the knowledge and skills to any other element.

Governance objectives can be identified in the attention to the risks, in the treatment of intangible capital and the achievement of medium-long term. Finance has never been the centre of the business or subject to processes of accumulation, but is however necessary to support development of projects with which the Group has innovated and created stability of corporate assets over time.

### 3.5.2 GOVERNANCE RULES

#### **Rules of conduct for the protection of the social capital, creditors, market and supervisory public functions.**

The Social Bodies, the management, the employees and the external partners of each Group's Company must:

- behave in an ethical, transparent and collaborative manner, in compliance with laws and internal company procedures, in all the activities of budget creation and other social communications provided for by law and intended for shareholders or the public, in order to provide truthful and accurate information on the economic, patrimonial and financial situation of the single companies and the Group;
- keep, in case of eventual drafting of prospectuses or documents to be published under the article 2623 of the Civil Code<sup>1</sup>, a correct behaviour, in accordance with the law, to protect the investors' assets, as well as the efficiency and transparency of capitals market;
- strictly observe the rules established by law to protect the integrity and effectiveness of the social capital (for example: mergers, divisions, acquisitions of companies, distribution of profits and reserves, etc...) and act always in accordance with internal corporate procedures (based on these standards) in order not to jeopardize the rights of the creditors and third parties in general;
- conduct any liquidation of the Group having regard to the paramount interest of the social creditors. It is therefore forbidden to distract the social assets from their destination to creditors, dividing them among shareholders before the payment of claimants and also prohibited the provision of the sums required to meet the creditors themselves, to funds for other purposes.

The Group also ensures the regular functioning of their Social Bodies, guaranteeing and facilitating all forms of social control over the social management provided by law and the free and correct formation of the assembly's will.

It is therefore imposed strict compliance with the internal procedures in place for that purpose by each Group's company and in any case, the adoption of behaviours that are coherent with this principle.

While not having currently issued its financial assets on the market, it is not allowed

<sup>1</sup> [Article 2623: "Whoever, for the purpose of obtaining for themselves or others an unjust profit, in the statements required for the purpose of solicitation or investment or admission to trading on regulated markets, or in the documents to be published on the occasion of bids or exchange, with the knowledge of falsity and intent to deceive the recipients of the prospectus, false information or conceals data or information in an appropriate way to mislead the intended recipients will be punished, if the conduct has not caused them financial damage, by imprisonment up to one year. If the conduct in the first paragraph has caused financial damage to the recipients of the prospectus, the punishment shall be imprisonment from one to three years."] Currently Art. 173 bis of the Financial laws consolidated Act. (Legislative Decree. 58/1998).

the completion of any fraudulent activity tending to alter the pricing of financial instruments. To this end it is imposed to the Social Bodies, the management, the employees and the external collaborators of each Group's company to comply with rules governing the correct pricing of the financial instruments.

It is also not allowed to engage activities or omissions that may hinder the performance of the Supervisory Public Authorities' functions in charge of the business sectors in which the Group's companies operate.

Therefore it is imposed to the Social Bodies, the management, the employees and the external collaborators of each Group's company to make timely, correctly and in good faith all communications provided by law and regulations to Supervisory Public Authorities, without hindering them to carry out their functions.

With particular reference to the budget creation, the Group considers the accuracy, correctness and transparency of accounts, budgets, reports and other communications provided by law and intended for shareholders or the public, essential principle in the conduct of business and guarantee of equal competition. This requires the deepening of the validity, accuracy, completeness of the basic information for recordings in the accounts.

Consequently, it is not allowed any concealment of information, nor any partial or misleading representation of economic, patrimonial and financial data of the single companies and the Group by the management and the persons subordinated to their management and control. Therefore, all internal and external collaborators involved in producing, processing, accounting these information are responsible for the transparency of accounts and balance sheets of the single companies and the Group. Each transaction with economic, financial or patrimonial importance should be adequately recorded and for each record there must be an adequate supporting documentation, in order to be able, at any time, to implement the controls that confirm the nature and motivations of the operation and help to identify who authorized, performed, recorded, checked it.

### **3.6 ENVIRONMENT**

Manni Group manages its business by pursuing the environment protection with the continuous improvement of its performance in relation with the environmental impacts of its activities. To this end, it undertakes to:

- adopt environmental management systems and quality certificates and work for environmental risks prevention;
- define specific environmental objectives and improvement programs, aimed at the minimisation of the significant environmental impacts;
- spread on the territory the culture of environment respect also through dedicated initiatives and specific services for the client;

- provide to the institutions all the necessary information to evaluate the possible environmental risks linked to the enterprise
- internally promote environmental awareness and education and promote the spread of eco-efficient technologies
- report the environmental impact of its own activities through the identification of key performance indicators.

# 4 THE APPLICATION OF THE CODE OF ETHICS

## 4.1 TOOLS FOR THE APPLICATION OF THE CODE OF ETHICS

### 4.1.1 ETHICS COMMITTEE FOR THE SPREADING AND IMPLEMENTATION OF THE CODE

All the attributions related to the spreading and implementation of this Code are reserved to the Board of Directors, appointing a special committee composed of two or three members that in a first implementation phase coincides with the Supervisory Board provided by the Legislative Decree 231/01.

The Committee is in charge for one year and its members may be reappointed. In its first session, the Committee elects the Chairman among its members.

#### *Limits to the Committee's competence*

It is not the competence of the Committee to pronounce its opinion on the interpretation of laws or contract terms.

#### *Ex officio proceedings*

The Committee's Members, if they are directly or indirectly aware of violations of the Code or evidence of violation of the Code, are required to notify the Committee's Chairman. The President has the obligation to submit to the Committee what occurs exposed to a commissioner in the first meeting of the Committee.

The Committee will deliberate the opening of a proceeding or the archiving of the case.

#### *Procedures reported by third parties*

Reports of violations can be made to the Committee as a whole or to each member equally. They can be made verbally or in writing, including via e-mail communication to [odv231@gruppomanni.it](mailto:odv231@gruppomanni.it), specifying in the subject: "Report to the Ethics Committee". If verbally presented, the complaint will be formalised in writing during the first session of the Committee. If the Committee decides not to prosecute, the report will

be communicated to the presenter on the same way that it has been presented.

### *Investigation*

If the Committee acts for the initiation of a proceeding, it will be entered into the protocol and identified by a name and a number. The documents and reports related to the proceedings shall be kept at the Group's headquarters by the Committee's Chairman.

### *Investigations and testimonies*

The Committee must conduct investigations and question witnesses who permit the issuance of an motivated judgement. The President, or the Committee's members delegated by him/her, jointly or severally, have the right to gather information and consult texts in a direct and confidential way. Investigations and testimonies will be used to motivate the judgement. The witnesses should be informed that their testimony can not be reserved.

### *Convening of the Committee*

The Committee shall be convened by the Chairman whenever he/she deems it necessary. Any member may ask the President to the meeting of the Committee, specifying the reasons.

### *Committee's Secretary*

The Committee may appoint a Secretary with the task of preparing the minutes of meetings. The President may delegate to the Secretary the task of preservation of records, documents and reports. The President and the Secretary may use an internal technical input to carry out the Committee's work. .

### *Storage of records and reports*

All documentation pertaining to the Committee's activities will be kept in special rooms, which ensure security and privacy, provided by Manni Group.

### *Votes*

All the Committee's deliberations shall be taken by simple majority.

### *Relations between the Committee and the Board of Directors*

The Committee's proceedings will be regularly communicated to the Board of Directors and annually there will be a special Board of Directors meeting where there will be an overall assessment of the Group's ethical condition and the following lines of business will be defined. The Committee will propose each year to the Board of Directors a plan for information and training on the contents of the Code of Ethics aimed at its recipients.

### *Relations between the Committee and the management bodies*

If the Committee identifies cases falling under the competence of laws, contracts and regulations, it shall refer the case and its treatment to the competent bodies. Whenever the Committee - in front of a complaint within a procedure, or following the issuance of a judgment - points out any relation with regulations, contracts or rules relating to a specific management area can contact the managers notifying the facts.

### *Outcomes of the Committee's judgement*

The Committee, at the end of a procedure arising from a complaint for violation of the Code, can only give an judgement of infringement or non-infringement of the Code. The judgement of violation may concern individual employees or Group's organisational areas.

### *Judgement of violation*

If the Committee deems, at the end of a judgement, the violation of this Code and establishes a liability, it may issue a declaration of censure. The censure may be made in writing or oral.

The Committee will decide on both the form and the degree of publicity of censure.

### *Notice to interested people*

The Committee must notify the presenters of the complaint the outcome of its judgement, stating the reasons. The Committee is not obliged to publish the acts of investigation

### *Consulting on the interpretation of the Code of Ethics and ethical training*

May also be required to only one Committee member opinions on how to comply with the Code. Manni Group is committed to take periodic initiatives to train its employees and collaborators, in particular at the time of their admission and recruitment, as well as initiatives to inform and make aware of the same subjects.

### *Procedures for the Committee working*

The procedures for the Committee working are defined by the Committee itself and submitted to the Board of Directors.

The Committee working shall provide for specific procedures regarding the matters referred in the Legislative Decree n° 231/2001 and related regulations, and organisational models. In particular, the relations with the Supervisory Board under to Legislative Decree n° 231/01 will be directly guaranteed by the Committee President.

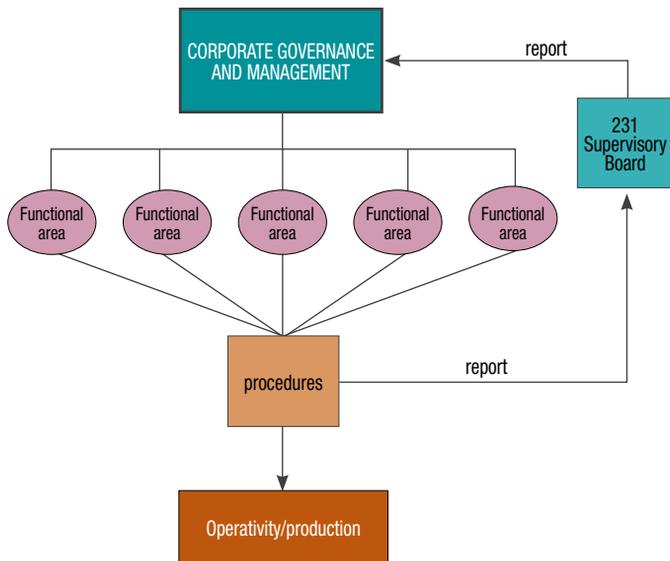
Each time the Committee feel the need of changes or updates, once approved, they will be subject to the Board of Directors approval.

#### 4.1.2 THE PREVENTION OF CRIMINAL OFFENSES AND THE FLOW OF REPORTING

One key aspect of the explanation of the Manni Group's ethical principles is the possibility for the Supervisory Board, in its role as the Ethics Committee, to act on the real compliance with the requirements of the Code of Ethics, the Organisational Model, and the procedures that make it up.

Therefore it is essential that the reporting hierarchy is always activated with the maximum care, as shown below:

##### *Supervisory Board's Reporting*



# 5 RECIPIENTS AND OBLIGATIONS

## 5.1 RECIPIENTS AND OBLIGATIONS

This Code of Ethics is binding on all those who within the Group's companies have a role of representation, administration or management, or exercise, even de facto, the management and the control, all employees with no exceptions, the collaborators (including, by way of example, consultants, agents and promoters, etc...), the suppliers who offer their professional activities to the Group companies, and anyone else that entertains with it business relationships.

All these can be identified as the "Recipients". The recipients must comply with the requirements of the Code of Ethics, that will be largely diffused.

### 5.1.1 EMPLOYEES' OBLIGATIONS

The compliance with the requirements of this Code of Ethics is an essential part of the employees' contractual obligations within the meaning and effect of article 2104 of the Civil Code. Any violation of the requirements of the Code of Ethics may constitute a non respect of the obligations of the employment and/or a disciplinary offense, in accordance with the procedures defined by the article 7 of the Workers' Statute and by the applicable collective bargaining agreement with all legal consequences, even with regard to the preservation of employment, and may involve compensation for damages arising from it. The respect for the principles of this Code of Ethics is part of the contractual obligations of employees, suppliers, consultants and other persons in business relationships. Consequently, any violation of the requirements contained herein shall constitute a non respect of the contractual obligations with all legal consequences with regard to the termination of the contract or mandated job, and the compensation for damage caused.

The employees observe the Code of Ethics during the carrying out their activities. In particular, employees are obliged to:

- report to the Supervisory Board any news related to alleged violations of this Code of Ethics occurred in the corporate context and which is known;

- provide full cooperation in investigating the possible and/or alleged violations of this Code of Ethics;
- inform third parties with which they are in business relationships, about the requirements of the Code of Ethics.

Cooperation, loyalty and mutual respect mark the relationship between employees at all levels and third parties, with whom they come into contact because of the work activities.



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