

RenoDeMedici



# **CODE OF ETHICS**

(Edition 2008)

## CODE OF ETHICS

### 1. INTRODUCTION

#### 1.A. RENO DE MEDICI S.P.A. – THE RENO DE MEDICI GROUP

The present Reno De Medici Group (referred to in the following as the RDM Group or the Group) is the leading Italian producer and second producer at a European level of cartonboard retrieved from recycled materials.

From the time of its establishment Reno De Medici S.p.A. (referred to in the following as RDM or the Company) has been committed to applying and observing rigorous ethical principles in carrying out its business.

The respect of ethical rules in managing a business, which determine the reputation of a Company and of its collaborators, is considered by RDM to be an indispensable condition for the success of its mission and for reaching its predetermined objectives. Respecting and applying strict ethical principles has enabled the Group to stand out for its seriousness, reliability and professional standing, characteristics which have allowed it to gain esteem also at an international level.

Reaching the Company's objectives is a common sentiment amongst those people working in the Company with seriousness, competence and transparency and in full observance of prevailing laws and regulations

#### 1.B. INSPIRATIONAL PRINCIPLES

The rules contained in this Code of Ethics constitute guiding principles and lines of conduct to which everyone working on behalf of the RDM Group should aspire, including in their interpersonal relationships within the Group itself.

Compliance with laws and regulations, propriety, moral rigour, trust and collaboration with stakeholders are the ethical principles inspiring the Company and the Group as a whole, all of which have the aim of enabling the Company to compete effectively and loyally on the market, create value for shareholders, increase customer satisfaction and look after the professional and personal growth of its human resources.

The Group recognises the fundamental importance of a competitive market where every step must be carried out with full respect for the law and for the principles of fair competition applicable wherever it does business, and where its employers must avoid practices which could represent a violation of competition laws.

Relations with all regulators must be based on the maximum transparency and collaboration and in consideration of their institutional functions.

The Code of Ethics is brought to the acquaintance of all its recipients and those with whom the Company does business.

#### 1.C. THE RELATIONS WITH STAKEHOLDERS

As mentioned previously, the RDM Group operates at the highest levels both at a national level and internationally: Its international mission means that managing relations in various and differing circumstances assumes primary importance.

It therefore follows that relations between RDM and its stakeholders (meaning all those public and private persons, Italians and non-Italians, individuals, companies, groups, public and private bodies and more generally all “interest bearers” with respect to the Group’s economic initiatives) must comply with the inspirational principles of this Code. More specifically, the Company bases its business on the precise observance of laws (Italian laws and those of the countries in which it does business, either directly or through its subsidiaries), regulations and the inspirational principles of fair competition.

#### 1.D. SCOPE OF APPLICATION

This Code of Ethics and the regulations contained herein are applicable:

- 1) to all companies of the RDM Group, meaning direct and indirect subsidiaries pursuant to paragraphs 1 and 2 of article 2359 of the Italian civil code; and
- 2) all the related personnel.

More specifically, RDM:

- a) submits its Code of Ethics to its subsidiaries in order that these companies may - after adapting it to their own particular circumstances and, as may be the case, adding to it - adopt it formally as a tool of conduct and management and as a genuine element of business strategy and organisation;

b) requests all associated companies to bring their activities into line with the principles included in this Code;

c) requires all directors, employees and collaborators to observe the regulations of the Code of Ethics but also to demand that third parties (meaning for example consultants, agents, suppliers, distributors and collaborators in general) working in the interest and/or on behalf of RDM and/or any Group Company do the same. It is therefore the duty of the Company and its employees to inform third parties of the contents of this Code of Ethics and to observe whether its regulations are being respected. It follows that in the event of a breach of the regulations of the Code of Ethics by employees or collaborators, the employees and collaborators themselves are under an obligation to inform their superiors and the management of RDM without delay, in order for the necessary measures to be taken to cause the conduct in question to cease and prevent it being repeated.

#### 1.E. THE CODE OF ETHICS

As part of the internal control system the Code of Ethics constitutes one of the premises and one of the references of the Organisational and Management Model pursuant to Legislative Decree 231/01. It is the responsibility of the board of directors of RDM and Company management to verify that the code of conduct is being implemented and applied, and management may make proposals to make changes or additions to this Code.

The board of directors of RDM has the responsibility to keep the Code of Ethics constantly updated in order to ensure that it is amended for any changes in legislation that may from time be applicable. The board may assign the function of updating the Code to the managing director of RDM.

A Supervisory Board has been established and appointed in connection with the offences envisaged by Legislative Decree no.231/01 and subsequent amendments and additions, to which is entrusted, amongst other things, the duty of verifying that the Model adopted is working; as part of these functions and taking into account any correlation, the Supervisory Board may draw up proposals for additions and updates and present these to the competent corporate bodies.

It is the duty of the directors and employees of RDM to supervise the implementation of the Code of Ethics and its application, and they are required to notify the Supervisory Board of any breaches they may encounter.

#### 1.F CORPORATE GOVERNANCE SYSTEM

RDM has a corporate governance system which complies with prevailing legislative and regulatory requirements. More specifically, the Company has incorporated and implemented the Code of Self Discipline for listed companies issued by Borsa Italiana S.p.A..

The entire corporate governance system is designed to ensure that the Company and the Group are managed in the best way possible, that business risks are controlled, that value is created for shareholders, that there is transparency towards the market and that the interests of all shareholders are balanced, with special emphasis being given to smaller shareholders.

#### 1.G. SAFEGUARDING THE GROUP'S RIGHTS AND RESOURCES

Every business function must, as far its own sector of responsibility is concerned, do everything in its power to remain fully aware of the rights available to RDM and to the Group as regards statute law, contracts and relations with the Public Administration and must not conduct itself in a way which may harm the Group's interests.

To this purpose, every employee is responsible for looking after and defending the assets and resources of the business entrusted to him as part of his activities and must use them in a way that is consistent with their nature and the corporate interest.

All employees are under the obligation to bring to management's attention any situation which may, even only potentially, prejudice the rights and interests of RDM and/or other Group companies, in order that they may take the necessary and appropriate safeguarding action.

## 2 HUMAN RESOURCES

#### 2.A. FUNDAMENTAL PRINCIPLES

The RDM Group believes that human resources are an essential factor for remaining and being successful on the market and that relations between employees must be based on a person's rights and fundamental liberties.

Each recipient of the Code of Ethics undertakes as part of his role to encourage the existence of a working environment that is free of prejudice by actively collaborating to maintain an atmosphere that ensures respect for the dignity of all concerned.

Honesty, loyalty, a professional approach, trust, preparation, seriousness and dedication are the characteristics that RDM requires of its directors, employee and collaborators whatever their function.

In addition, the RDM Group has always been committed to ensuring that its employees of every level and category are treated with a rigorous respect for the principles and values stated herein. RDM encourages employees to communicate and cooperate amongst themselves and with their superiors, with the objective that persons dedicated to managing production factors may carry out their work with increased efficiency and effectiveness.

It is fundamental that relations between employees at all levels should always be based on the criteria and conduct that we know as propriety, loyalty and mutual respect.

Any conduct contrary to this will be subject to sanctions as described further in the Company's Disciplinary Code.

## 2.B. SELECTION POLICIES

Equal opportunity is the fundamental principle underlying selection procedures, with any form of favouritism and assistance being avoided as well as any discrimination on the basis of a candidate's private life or views. It is the interest of the RDM Group to ensure that the resources acquired correspond to the personal profiles actually demanded by business needs and that these people have the skills, knowledge and capabilities required to perform the duties assigned to them in the best manner possible.

## 2.C. DEVELOPMENT AND GROWTH OF HUMAN RESOURCES

It is the interest and commitment of the entire RDM Group to create and constantly maintain the conditions needed to ensure that the capabilities and knowledge of every employee can grow further. To this purpose the Group provides specific programmes designed to keep personnel updated from a professional standpoint and to enable them to acquire additional skills. Nevertheless, it is clear that professional growth cannot take place without the full collaboration of the employee. That is why RDM asks every employee to cultivate, but also to further, the acquisition of new skills, knowledge and capabilities through a process of self-training. On the other hand managers and function heads are requested to place the greatest emphasis on identifying the professional skills of their collaborators, maximising their value and getting them to grow by creating the most suitable conditions for them to develop their capabilities and realise their potential.

## 2.D. RESPECT FOR PRIVACY

As mentioned previously the selection, hiring, training and remuneration of personnel are carried out in such a way not to constitute a form of discrimination on the basis of race, creed, country of origin, age or gender. The RDM Group is also committed with this purpose in mind and within the full observance of prevailing legislation to safeguard privacy in respect of all information relating to the private life of each employee and, more generally, of every person interacting with the Company.

More specifically, the respect for a worker's privacy is not only ensured by tools protecting the information acquired, but also by respecting all correspondence and interpersonal relationships between employees through the express prohibition of any interference in conferences or dialogues or forms of interruption and/or control not envisaged by prevailing laws and regulations or which may cause harm to the worker's personality.

## 2.E. SAFETY AT WORK AND THE WORKING ENVIRONMENT

RDM applies all prevailing laws and regulations regarding safety at work, believing that the protection of its collaborators' health is an asset and in the Company's primary interest.

The Company ensures that there is a working environment which complies with prevailing laws and regulations regarding health and safety by monitoring, managing and preventing any risks connected with carrying out professional activities.

Nevertheless, safety in the workplace cannot be achieved without the careful and watchful collaboration of employees. As a result, therefore, it is a requirement for the employee or collaborator when performing his functions to abide scrupulously by the prevailing provisions and safety measures adopted by the RDM Group. Furthermore it is an employee's duty to point out and make known any unusual situations he may encounter and to commit himself actively and responsibly to preventing and pointing out any forms of danger, even if these are only of a potential nature.

## 3. CONFLICTS OF INTEREST

### 3.A. GENERAL PRINCIPLE

It is the duty of all employees to inform RDM on a timely basis, through their superior and/or the Supervisory Board established pursuant to Legislative Decree no. 231/01, of any information which might indicate that there is a potential conflict of interest, or which might lead one to assume that such exists.

### 3.B. PROPER COORDINATION OF BUSINESS AND INDIVIDUAL INTERESTS

A relationship of full and absolute trust exists between the RDM Group and its employees and collaborators. In order for this to remain such, it is the prime duty of an employee to respect the procedures which govern the employment relationship and for him to use Company assets and his working capabilities to contribute to achieving the corporate interest.

As a consequence of this, directors, managers, employees and collaborators must avoid any situation and refrain from carrying out any activity which may create a conflict, maybe only potential, between personal and corporate interests or which may impede them from performing their duties properly and consequently from being able to make decisions in the interests of the RDM Group in an impartial and objective manner.

Directors, managers, employees and collaborators are therefore absolutely forbidden to allow their personal and/or family economic activities and/or interests to override or overlap with the interests of the Company by means of the jobs they perform for the Company.

### 3.C. PREVENTION OF CONFLICTS OF INTEREST

In order to avoid situations arising which may lead to conflicts of interest, even of only a potential nature, it is an employee's duty and obligation to inform the Company on a timely basis - in the person of his superior - of all actual or potential situations in which there is a conflict of interest.

If an employee fails to respect this specific obligation the Company shall be entitled to take action against the employee for compensation for the damages suffered, in addition to carrying out the disciplinary measures provided by the RDM Group's Disciplinary Code.

## 4. FINANCE – ADMINISTRATION AND CONTROL

### 4.A. GENERAL PRINCIPLE

The most rigorous transparency in accounting is, at all times and in all circumstances, an essential and a priority for all companies of the RDM Group.

As a consequence, therefore, in preparing and maintaining accounting documents and data and, in general, all entries pertaining to the administration of the Group, employees must abide by the strictest principles of transparency, accuracy and truthfulness. The completeness, clarity and truthfulness of the financial statements and related reports represent not only an obligation of

law, but also a fundamental value in relations with shareholders, third parties and supervisory bodies.

#### 4.B. TRANSPARENCY AND ACCOUNTING COMPLETENESS

In order to ensure that the accounting records are kept in a transparent manner, RDM believes that the essential inspirational elements are represented by the truthfulness, accuracy, completeness and clarity of the underlying information.

These principles constitute a fundamental value for the Company and amongst other things ensure that shareholders and third parties have the possibility of obtaining a clear picture of the business's results, financial position and cash flows. In order to ensure that this value is respected and guaranteed, it is firstly necessary for all documents supporting accounting entries to be complete, clear, truthful, accurate and valid and for these to be maintained in the records for checking as the case may be.

The accounting entry which follows must then in turn ensure that the contents of supporting documents are recorded in a complete, clear, truthful, accurate and valid manner. In situations in which the valuation or measurement of balance sheet or profit and loss account items is required, the respective entry must be made by following the criteria of reasonableness and clarity, with the principles leading to the determination of the value of an item being clearly described. Anyone becoming aware of any omission, falsification or irregularity in keeping the accounts and the underlying documentation is required to report this on a timely basis to the Supervisory Board. These violations spoil the relation of trust with the Company, become relevant from a disciplinary standpoint and are sanctionable.

### 5. SAFEGUARDING COMPANY ASSETS

#### 5.A. GENERAL PRINCIPLE

All directors and employees of the RDM Group have the duty to act in the appropriate way to safeguard and protect the business's assets and equity. Any breach of this duty which as such causes detriment, even if only potential, to the Company, is sanctionable.

#### 5.B. SAFEGUARDING ASSIGNED ASSETS OF THE BUSINESS

All directors, employees and collaborators of the RDM Group are required to safeguard the Company's assets, and to take care of the Company's moveable and immovable assets,

equipment, products, information and know-how in the most rigorous manner.

By assigned Company assets is meant, by way of mere example, all of the assets made available to a person for carrying out his job, such as computers, printers, telephones (including mobile phones), equipment, motor vehicles, simple and complex instruments, property, infrastructure, etc..

All directors, employees and collaborators of the RDM Group are required to:

- a) use Company assets solely for the purposes of work, with private use strictly to be avoided;
- b) avoid the improper use of Company assets which may lead to damage or reduced efficiency or which may in any event be in conflict with the Company's interest;
- c) take every precaution to preserve and take care of the assets assigned. It is therefore forbidden to leave assigned moveable assets unguarded or to allow unauthorised persons, family members or third parties use of the assets;
- d) abide scrupulously by Company procedures;
- e) utilise an assigned asset exclusively for the use and purpose specified on assignment, guarding the asset diligently and avoiding any personal use.

Failure to abide by these rules and by the specific procedures may lead to disciplinary sanctions.

#### 5.C. SAFEGUARDING THE COMPANY'S REPUTATION AND IMAGE

RDM's reputation and image in the view of shareholders, investors, customers and third parties in general represent a fundamental intangible value that is to be protected during every moment of business life, both inside and outside the Company.

The members of the board of directors and the board of statutory auditors, employees and the collaborators of RDM undertake to do the following:

- (i) abide by the principles contained in this Code of Ethics in their relations with colleagues, customers, suppliers and third parties in general, maintaining a relational style based on availability, courtesy, politeness and decorum;
- (ii) refrain from any conduct whatsoever which may, directly or indirectly, cause harm to the Company and/or to the RDM Group in terms of image and/or credibility in the market.

#### 5.D. SAFEGUARDING EQUITY

It is in the prime interest of RDM to safeguard the integrity of its equity, amongst other reasons to protect the interests of its shareholders. As a result, therefore, excluding the situations

expressly provided for by law, it is expressly forbidden to return contributions of whatsoever form or free shareholders from the obligation of having to make them; to allocate profits which have not been effectively earned or which by law must be transferred to reserves, meaning reserves that by law cannot be distributed; to reduce share capital or carry out mergers or demergers by infringing creditor protection laws and regulations; to create or increase share capital in a fictitious manner; in the event of liquidation to satisfy the claims of shareholders to the harm of the Company's creditors or carry out any damaging conduct on the identified asset. The Company spreads the knowledge and awareness of laws and regulations and the Code of Ethics and attached protocols by arranging specific informational and update programmes for directors and employees on corporate crime.

## 6. PRINCIPLES OF CONDUCT WITH THE EXTERNAL WORLD

### 6.A. GENERAL PRINCIPLE

All relations with public and private entities, suppliers, customers and third parties in general, held by the directors, employees and/or collaborators of RDM must be established and managed for the sole purpose of the Group's objectives, with no recourse ever to be made to illegal practices. Corruption, the granting of illegitimate favours and collusion are unacceptable practices which are forbidden and disciplined with sanctions.

### 6.B. RELATIONS WITH PUBLIC AUTHORITIES AND THE PUBLIC ADMINISTRATION

All relations between the RDM Group and Public Institutions are based on the principles of propriety, transparency, collaboration and non-interference, with each party's role being respected.

The Group will not accept any conduct whatsoever which may be only even interpreted as having the nature of collusion or which may however be of such a kind as to prejudice the above principles.

In this respect the RDM Group requires of its directors, employees and collaborators that all relations pertinent to the Company's activities and pursued in the Company's interest with public officials or persons working in the public service - whether they work on behalf of local or central Public Administration, legislative bodies, European Union institutions or international public organisations of any foreign State - with the courts, with public supervisory authorities and with other independent authorities, inside and outside Italy, should be

established and managed by observing absolutely and strictly prevailing laws and regulations, the principles set by the Code of Ethics and internal protocols in such a way as not to compromise the integrity or reputation of either party.

In addition, special care and attention must be taken in relations with the persons mentioned in situations regarding contracts, authorisations, licences, concessions, applications for and/or the management and utilisation of publicly sourced loans, however they may be defined (Italian and European Union), the management of contract work, relations with regulatory and supervisory bodies or other independent authorities, etc..

Employees must make sure that all the statements and representations they make to public officials are correct and truthful.

It is absolutely forbidden to accept, offer or promise, directly or indirectly, money, gifts, goods, services, the provision of services or undue favours to obtain benefits in connection with relations with the above-mentioned persons, even if this may be considered to be in the Company's interest. The Company must be informed on a timely basis of any requests for, or offers of, money or favours of any kind whatsoever (including for example presents and gifts that are not of moderate value as described in the Company's procedures) made improperly to those people or by those people working on the Company's behalf in the ambit of relations with the Public Administration (of the Italian State or a foreign State) or with private parties (Italian or non-Italian).

If any recipient should receive, directly or indirectly, requests for benefits from public officials he must bring this to the immediate attention of his direct superior and/or the Supervisory Board pursuant to Legislative Decree no. 231/2001 in order to prevent conduct likely to lead to the offences referred to in that decree.

Recipients are also forbidden to request information from public officials which they have as the result of their position or to act in such a way as to impede third parties from exercising their rights or to obstruct the Public Administration from carrying out its work.

All other conduct aimed at obtaining an illegal advantage for the Company or the recipient is also forbidden.

In the event of checks carried out by officials of the Public Administration, employees are forbidden to distract the public official from performing his duties by promising him, or involving him in, diversions and/or by relieving him of his duties by carrying out these activities.

All conduct to the contrary is liable to sanction under the Company's Disciplinary Code, save any civil or criminal responsibility connected with a possible violation.

The making of undertakings towards the public administration is reserved exclusively to the authorised functions in charge in the Company and any commitments of this nature must be made with the strictest adherence to dispositions of law; in no case may they compromise the Company's integrity and reputation in any manner whatsoever.

All recipients are required to indicate to their superiors and/or to the Supervisory Board any breaches of the above regulations or any conduct which is not consistent with these rules.

#### 6.C. RELATIONS WITH POLITICAL AND TRADES UNION ORGANISATIONS

The RDM Group does not support in any way, directly or indirectly, organisations having a political and/or trades union scope however they may be organised.

Given its neutral character, in no situation does the Group encourage or discriminate against, directly or indirectly, any organisation of a political and/or trades union nature.

Relations with trades union organisations, where they exist, are based on and governed by the law.

#### 6.D. RELATIONS WITH CONSULTANTS, CUSTOMERS, SUPPLIERS AND THIRD PARTIES IN GENERAL

##### 6.D.1. GENERAL PRINCIPLE.

The RDM Group verifies the reliability, professional standing, honorability and integrity of third parties with whom it wishes to establish relations of an economic nature, such as consultants, agents, suppliers, distributors and collaborators of various types.

##### 6.D.2. ETHICS IN BUSINESS CONDUCT

The RDM believes that a proper, legal and transparent relationship with customers and suppliers represents an important success factor for the Company. Suppliers are selected, and decisions to purchase assets, goods and services are made, in accordance with the principles of this Code and internal procedures. Furthermore, these decisions are taken solely on the basis of objective parameters, such as quality, convenience, price, capability, efficiency, professional standing and honorability.

Moreover, since the success of the RDM Group is based above all on its capacity to satisfy the needs of its customers by maintaining quality, performance and reliability at extremely high

levels, employees must contribute to these policies by identifying customer needs and by endeavouring to meet their expectations, using the Group's resources and synergies to the greatest extent possible.

In respecting the interests of the RDM Group employees must make every reasonable effort to settle disputes with third parties amicably and must avoid proceeding to legal action.

#### 6.D.3. GIFTS, INDUCEMENTS, BRIBES AND BENEFITS

Courtesy gifts or acts of assistance are only allowed in business relations with customers, suppliers, consultants and third parties in general if by their nature and value they cannot be interpreted as having the aim of obtaining favours. If an employee receives gifts or favours which cannot be ascribed to normal relations of courtesy he should inform his direct superior or the Supervisory Board.

#### 6.E. RESPECT FOR COMPETITION.

The RDM Group is in favour of ensuring that there is the highest level of competition in the market and of maintaining this situation, being conscious of the excellence of its products, and develops its commercial policy with full adherence to all laws and regulations on competition matters that may prevail at a particular time.

As a result, therefore, its relations with competitors are based exclusively on prevailing laws and regulations on the subject.

### 7. CORPORATE INFORMATION

#### 7.A. GENERAL PRINCIPLE

The RDM Group provides full, truthful and accurate disclosures and information as required by prevailing laws and regulation on each individual matter. Any information pertaining to RDM or to other Group companies aimed at the mass media may only be disclosed by the business functions delegated for this purpose, in adherence with the procedures in force at the time. If requests are made to employees to provide information or to take part in interviews they must notify the Human Resources Department of these and receive specific prior authorisation to proceed.

RDM takes care to ensure that operations are not initiated on the financial markets having the aim of carrying out simulated or artificial transactions which breach the regulations of the

supervisory authorities.

#### 7.B. AVAILABILITY OF AND ACCESS TO INFORMATION

In compliance with prevailing laws and regulations, the RDM Group provides on a timely basis and in a complete manner all the information, explanations, data and documentation which shareholders, customers, suppliers, public supervisory authorities, institutions, bodies and other stakeholders may require as part of carrying out their functions. In fact RDM believes that proper corporate communications act as a guarantee and that they are a duty in ensuring that proper relations may exist: i) with shareholders, who must be put in a position to have easy access to data, in compliance with prevailing laws and regulations; ii) with third parties coming into contact with the Company, who must be able to obtain an accurate picture of the business; iii) with supervisory authorities and auditing and internal control bodies, which must be able to perform their control activities in an effective manner; and iv) with all potential investors, and more in general with the market as a whole.

Special attention is given to the release and circulation of important communications, in consideration also of the prevailing laws and regulations on this matter, such as investment tenders, admissions to listing, public tender offerings and public exchange offerings, as well as to the circulation of information or news of a nature that may have a significant effect on market performance or on credibility or reliability. In this respect RDM introduced specific procedures in the past applicable to the whole Group with the aim not only of checking the nature of the information to be disclosed, but also of ensuring that it is properly managed and circulated. RDM ensures that such news, which may also be disclosed through press releases and/or the other various means available, is always truthful, has no omissions, responds to the truth and is always presented in such a way as not to mislead the recipients of the information.

#### 7.C. RELATIONS WITH THE MASS MEDIA

Relations with the mass media, with other means of communication and information and, more generally, with interfaces with the outside, are the exclusive responsibility of the business functions delegated for this purpose, in compliance with the procedures or regulations adopted by the Company. Any request for news made by the press or media and any information received by Company personnel must be communicated to the persons (the business functions) in charge of external communications before any commitment is made to reply to the request

without the prior authorisation of the Human Resources Manager. External communications must always be true, accurate, transparent and prudent and should always have the objective of encouraging the awareness of business policies and of the Company's plans and projects. Relations with the mass media must always be based on adherence to the law, the Code of Ethics and the procedures and principles already outlined with regard to relations with public institutions, and must have the aim of safeguarding the Company's reputation and image as a primary value for the RDM Group.

#### 7.D. PRICE SENSITIVE INFORMATION

All forms of investment, whether direct or through an intermediary, whose source is to be found in confidential business information, are strictly forbidden. As a result, therefore, particular importance and attention must be placed on the external communication of documents, news and information pertaining to events occurring within the Group's sphere of activities and outside the public domain, which if made public would be of such a nature to have a significant influence on the price of financial instruments and the performance of the stock market. This information will always be communicated after approval is given by the directors for its release and by using the channels established and the persons delegated specifically for this purpose, in compliance with prevailing procedures. In no case shall persons conduct themselves in handling information in a way which might encourage insider trading.

#### 7.E. CONFIDENTIALITY

All employees and all persons acting on behalf of the Company in whatever capacity are required to maintain absolute confidentiality and must therefore not improperly disclose or request information regarding documents, know-how, business operations or, in general, any type of information acquired as a result of carrying out their jobs in the Company, in compliance with prevailing laws and regulations. Confidential information consists of all the information acquired as a result of carrying out working activities or in any event obtained as part of such, which if disclosed and used could cause harm or damage to the Company and/or lead to an improper gain for the employee. Any breach of confidentiality by employees or collaborators brings their relation of trust with the Company into serious question and may lead to disciplinary or contractual sanctions.

### 8 PROTECTION OF THE ENVIRONMENT

## 8.A. GENERAL PRINCIPLE

The protection of the environment is one of the main objectives of the RDM Group as well as being its duty as an industrial Company.

## 8.B. THE RDM GROUP'S ENVIRONMENTAL POLICY

The RDM Group works with a view to sustainable growth, with its objectives on the one hand being economic growth and on the other social progress and the protection of the environment.

As a consequence, therefore, the Group is engaged in the constant task of reconciling the search for competitiveness in its market and achieving an increasingly high level of performance in protecting the environment. The RDM Group's work can therefore be characterised by a constant commitment to achieving economic growth by employing natural resources and respecting these to the best of its ability.

Obtaining a constant balance between these objectives is an excellent tool for maximising the competitiveness of the Group's goods and services on the market, for creating value and for enabling the Group to pursue a sustainable and innovative growth policy.

## 9. SAFEGUARDING PRIVACY

### 9.1. GENERAL PRINCIPLE

The RDM Group processes personal data in strict compliance of the law and by protecting privacy.

### 9.2. THE PROCESSING OF PERSONAL DATA

In its belief that privacy constitutes an essential and a fundamental right of every person, the RDM Group is committed to processing personal data in strict compliance with prevailing laws and regulations.

As provided in the regulations adopted by the Group, the personal data subject to processing must be: a) processed in a proper and lawful manner; b) collected and recorded for predetermined, explicit and lawful purposes and used in a manner that is compatible with this scope; c) accurate and updated; d) relevant, complete and not excessive compared to the purposes for which they are collected and subsequently processed; f) stored in a form which enables the person concerned to be identified for a period of time not exceeding that necessary

for the purposes for which they are collected and subsequently processed.

The RDM Group has also established all the measures appropriate for avoiding the risk of the destruction or loss of personal data, including that by accidental means, of access to data by unauthorised persons and of processing which is not permitted or which is not in compliance with the objectives of data collection.

Any breaches of the prevailing rules by directors, employees or collaborators will be liable to disciplinary sanctions.

## 10 BREACH OF THE CODE OF ETHICS AND RELATED SANCTIONS

### 10.A. GENERAL PRINCIPLE

Any breach of the regulations of this Code harms the relationship of trust established with RDM and leads to disciplinary measures and steps consistent with the provisions of law and the contractual framework, without altering the full responsibility of persons to respond elsewhere. Breaches or suspected breaches must be reported in writing, and not anonymously, to the Company's Internal Audit Department, which will arrange for the reports to be analysed and communicated to top management in order that they may proceed with any measures for which they are responsible.

### 10.B. SYSTEM OF SANCTIONS

The regulations included in this Code of Ethics constitute the principles of reference and lines of conduct by which all persons and parties working on behalf of RDM should be inspired, although this should also hold true in the case of interpersonal relationships within RDM itself. As a consequence, the breach of those principles and the envisaged procedures seriously compromises the relationship of trust established between the Company and its directors, employees, consultants, collaborators of various types, customers, suppliers and commercial and financial partners. Such breaches will be pursued in depth by the Company, on a timely and immediate basis, by taking adequate and proportionate disciplinary measures independent of whether such conduct has relevance from a criminal point of view or whether criminal proceedings have been initiated, in the case of criminal offences, or civil proceedings have been brought. RDM has adopted a disciplinary code drawn up and based upon primary and secondary applicable laws and regulations. In order to protect its image and reputation and to safeguard its resources, the Company will not establish relations of any kind with persons who

do not intend to work by strict compliance with prevailing laws and regulations and/or who refuse to conduct themselves in accordance with the values and principles envisaged by the Code of Ethics and to adhere to the procedures and regulations provided for in the attached protocols.

#### 11 REGULATIONS FOR THE IMPLEMENTATION OF THE CODE

The Internal Audit function has the responsibility in the RDM Group of ensuring that this Code of Ethics is working and is being observed.

Internal Audit carries out its work impartially, with consistency and in a professional and autonomous manner and with the full support of top management, with whom it collaborates in full independence.

All communications on matters relating to this Code which need to be reported may be sent to the following email address: [controllo.interno@renodemedici.it](mailto:controllo.interno@renodemedici.it)

This code became effective on 27<sup>th</sup> August 2008 and was distributed to all employees on 13<sup>th</sup> October 2008.