
CODE OF ETHICS

Mondini Cavi S.p.A.

Approved by the Board of Directors on January 26th, 2006



1. INTRODUCTION

This code (and therefore the Code of Ethics) expresses the commitments and the responsibilities that inspire the external and internal activity of Mondini Cavi S.p.A. (hereinafter referred to as the “Company”), which has been dealing in the field of production and distribution of electrical cables for over thirty years.

The regulations of this Code of Ethics are applied, without exception, to directors, employees, co-operators at different levels, and more in general to all those who, directly and indirectly, stably or temporarily, are in touch with the Company or endeavor to achieve its purposes (hereinafter referred to as the “Interested parties”).

2. CODE OF ETHICS

The Company deems it appropriate and necessary to adopt a Code of Ethics stating the principles and the values all the interested parties have to base on and comply with in order to clarify their respective responsibilities, conduct rules and goals to achieve.

The Company considers that running its business, in full compliance with all the principles of the Code of Ethics, of the laws and regulations in force, is the key to success of its activity.

The Board of Directors and the top management of the Company have the task of checking the application of the Code of Ethics and they shall take care of its update so as it will be in compliance with the regulations in force from time to time, and with the different requirements of the field where the Company runs its business.

3. GENERAL PRINCIPLES OF BEHAVIOR

The Company runs its business in compliance with the laws and the regulations in force in the Countries where its business is carried out, in accordance with the principles provided in the Code of Ethics.

Within the respective areas of competence, the Interested parties shall therefore know and observe the laws and regulations in force in all the Countries where the Company runs its business.

The Company promotes the dissemination of the Code of Ethics and the internal procedures between all Interested parties, who shall therefore know its content, comply with its principles and its provisions and contribute to its implementation.

To do so, the interested parties who may be informed of deficiencies, infringements, or infringement attempts shall notify their senior managers i.e. those who are responsible for the control of observance of the Code of Ethics.

The contents of the Code of Ethics are made known to the parties with whom the Company is dealing. In case of failure to comply with the principles of the code of Ethics and laws and regulations in force, the Company shall not start or continue the related business relationship.

4. HUMAN RESOURCES

The Company acknowledges that human resources are a key element in order to compete on the market with success and professionalism.

In this field the Company considers that honesty, correctness, integrity, transparency and mutual respect in business development outside and inside are its primary values.

Compliance with such values and more in general, with the principles provided by the Code of Ethics shall be therefore considered as an essential part of the contractual obligations undertaken towards the Company by the Interested parties.

As to the management of human resources, the Company is oriented to ensuring equal opportunities and boosting professional growth of everyone in compliance with the Code of Ethics and the regulations in force for workers' protection.

The knowledge of the Code of Ethics and of the related internal processes is carried out through appropriate dissemination and thorough training programmes and updating for workers, organized by the function in charge.

The Interested parties may always ask their superiors (and therefore those who control the observance of the Code of Ethics) for some explanation on the contents of the Code of Ethics, on the relative internal procedures and on the work linked to them.

5. ENVIRONMENTAL HEALTH and SAFETY

The Company is inspired by the principle of environmental protection and safeguard which it keeps in mind while carrying out its own business and when outlining its own choices.

The Company promotes health safety and safeguard of the Interested parties, which commit to scrupulously comply with the procedures established on the subject matter.

6. CONFIDENTIALITY OF INFORMATION

In compliance with legal provisions, the regulations in force and with the internal procedures, the Interested parties engage to consider any piece of news and information learned while carrying out their own job and which, in any case, make part of the business assets, as strictly reserved.

7. PROTECTION OF COMPETITION

The Company recognizes that a loyal and correct competition constitutes, a primary element for the safeguard and the growth of the company.

The Interested parties assure they shall not act against a correct, loyal and transparent competition between companies.

8. CONFLICT OF INTERESTS

The Interested Parties have to avoid any situation and to abstain from setting up any activity which is contrary to the business of the Company or incompatible with the obligations taken towards it.

Whenever situations of conflict of business in contrast with the governing regulations and with the principles stated in the Code of Ethics occur, this shall break the relationship of mutual trust between the Parties and the Company and will be prejudicial to its image and its protection.

Anyone who may be informed of situations of conflict of interests shall therefore timely notify his/her superior or those who are responsible for the control of the observance of the Code of Ethics of such conflict.

9. INTERNAL PROCEDURES

Specific internal procedures are drawn up and inspired by the principles stated by the Code of Ethics and are set in the light of a thorough analysis of reality and the business context of reference, with the purpose to determine the risks which the Company is exposed to, after having examined the existing control system as well as its real adequacy.

The Interested parties, each one within the respective functions shall strictly adhere to such internal procedures.

Any operation must be supported by an appropriate, clear and complete documentation to be placed in the archives, in order to make it possible to rationally check the causes, the features of the operation and recognize those who, at different levels, authorized it, made it possible, registered and controlled it.

The Interested parties shall immediately notify any deficiency of the internal procedures to their superiors or those who are responsible for the observance control of the Code of Ethics.

10. ACCOUNTING DATA

Book keeping recording must adhere to the principles of transparency, accuracy, thoroughness and clarity.

To do so, the documentation of the operations to be recorded in the accounting books must be complete, clear, timely and true and must be kept in records for any check deemed necessary.

Anyone who is informed of any omission, alteration, irregularity or negligence in the state of accounting and of the important documentation is obliged to timely report them to his/her superiors or to the personnel responsible for the control on the observance of the Code of Ethics.

11. RELATIONSHIPS WITH AUTHORITIES AND PUBLIC INSTITUTIONS

The relationship with the Government and Public national and international Institutions, and with private representative companies of the public service, are exclusively reserved to the business functions in charge.

As to bidding operations, negotiations of transactions, applications or relations with Public Administration and Public Institutions, the relationship must be managed by the Interested party or those who act on their behalf and represent the Company, in full compliance with the laws, the regulations in force and good business practice, the principles stated in the Code of Ethics and the internal procedures.

In this scope it is forbidden to take actions (directly and indirectly), such as, citing for illustrative purposes only, an employment and/or business opportunity proposal which may benefit the public interlocutors, urge or obtain reserved information that can jeopardize the integrity or the reputation of both parties.

The Company forbids all those who work in its interests to accept, to offer or promise, even indirectly, money, gifts, assets, services, performances or favors not due, to Public Officers, to managers, civil employees and employees in general of the Public Administration and of the Public Institutions or to their relatives and people related to them, in order to promote or to boost the Company's interests.

It is allowed, in compliance with the laws and the applicable regulations, to offer gifts or utilities of modest value in the countries where it is a custom to offer gifts to customers, without prejudice to the prohibition to search favors for the company's profit.

12. THE RELATIONS WITH SUPPLIERS

The relations with the suppliers must be managed in accordance with the principles of correctness, professionalism, seriousness and reliability.

The choice of suppliers must be impartial and based on objective standards of quality, costs, professionalism and ethics.

13. PENALTY SYSTEM

Any infringement of the principles stated in the Code of Ethics and the internal procedures, jeopardizes the relationship of confidence between the Interested Parties and the Company, as well as the Company's image.

Such infringements therefore will be definitely sue by the Company, with timeliness and immediacy, through adequate and proportioned disciplinary measures independently of the possible penal importance of such behaviors and of the submission of the relative proceedings before the competent judge.

The Company disseminates the Code of Ethics and informs all the Interested parties about the penalties foreseen in case of infringement and about the methods and procedures of imposition.