

# FINCANTIERI



## CODE OF CONDUCT

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*FINCANTIERI<sup>1</sup> is one of the largest, most diversified shipbuilding groups in Europe and throughout the world. Due to its dimension and importance, FINCANTIERI plays a key role in the economic development and welfare of the communities in which it operates.*

*All activities of the Group are carried out in compliance with the law, international conventions (such as the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions<sup>2</sup>) and in strict adherence to the United Nations Universal Declaration of Human Rights.*

*FINCANTIERI operates according to the principle of fair competition with honesty, integrity, uprightness and goodwill and with the highest degree of respect for the lawful interests of shareholders, employees, customers, commercial and financial partners, as well as those of the states and communities where it develops its activities. In particular, FINCANTIERI proactively promotes Corporate Social Responsibility – interpreted as a social and environmental concern integrated into its business model – by communicating all relative activities in its periodic reports.*

*All those who work at FINCANTIERI, without any distinction or exception, are committed to observing and guaranteeing the observation of these principles with respect to their own functions and responsibilities. The conviction that one is operating in the interests or to the advantage of the Company may in no way whatsoever justify a conduct in conflict with these principles.*

*In view of the complexity of the situations in which FINCANTIERI is involved, it is imperative that the values acknowledged, accepted and shared by the Group, as well as all internal and external responsibilities it assumes, be clearly reiterated. It is for this reason that this Code of Conduct (the “Code”) has been drawn up. Its observance by all those working for the Company is of paramount importance for the good operation, reliability and reputation of the Group, assets that are decisive for the success of the enterprise.*

*The employees of FINCANTIERI, in addition to fulfilling their general duties of loyalty, faithfulness, honesty and compliance with their employment contract in good faith, shall refrain from carrying out activities in competition with those of the Group, shall comply with Company regulations and shall follow the provisions of this Code. The relationships between employees of any level shall be based on clearness, fairness, loyalty and mutual respect.*

*Managers and all of those working for the Company must have knowledge of this Code, actively contribute to its observance, and report any weakness or evidence of non-compliance. FINCANTIERI undertakes to promote the awareness of this Code among its employees and encourage their constructive contribution to its contents. Any conduct in conflict with the letter and spirit of this Code shall be punished in accordance with the provisions set forth in this Code. The principles set forth in this Code of Conduct may be supported by specific provisions, regulations or internal procedures aimed at making its application more practical and timely. This Code shall be brought to the knowledge of all those with whom FINCANTIERI entertains business relations.*

*FINCANTIERI shall supervise the observance of this Code, providing suitable information, prevention and control instruments, as well as ensuring the transparency of the operations and behavior adopted.*

*The Board of Directors and Company Management shall monitor compliance with this Code of Conduct and its application. They may also forward proposals that integrate or amend its content.*

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<sup>1</sup> In this Code, “FINCANTIERI S.p.A.” and the companies it controls are called “FINCANTIERI” or “Group”.

<sup>2</sup> OECD Convention, acknowledged in Italy by Legislative Decree no. 231 June 8, 2001 and all subsequent updates.

## FINCANTIERI

### **1) Compliance with laws, rules, regulations and this Code of Conduct.**

FINCANTIERI shall comply with the laws, rules and regulations in force in each country or environment in which it operates, consistent with the principles, objectives and commitments provided for by this Code.

Managers and all those working for the Company, already subject to compliance with the law, rules and regulations in force, shall conform their actions and conduct to the principles, objectives and commitments provided for by this Code.

In particular, members of the Board of Directors shall be guided by the principles of this Code when setting Company objectives. The Management shall comply with the contents of this Code when proposing and implementing the projects, actions and investments necessary for the long-term increase of the enterprise's financial, managerial and technological values as well as the long-term welfare of both employees and the community. All actions, operations and negotiations undertaken and the general conduct adopted by employees in the performance of their working activities shall conform with the highest degree of fairness, thoroughness and transparency of information, the legitimacy under both formal and substantial aspects as well as to the clearness and truthfulness in accounting examinations in compliance with rules, regulations and internal procedures in force. Compliance with the provisions of this Code is to be considered an essential part of the contractual commitments of all employees pursuant to the law. FINCANTIERI, through its employees, shall cooperate actively and wholly with the Authorities.

External associates (including consultants, representatives, intermediaries, agents etc.) and all those with whom FINCANTIERI has established business relations shall be requested to comply with the same principles set forth in this Code.

### **2) Business activities and relations**

All actions and activities performed or carried out by FINCANTIERI shall be lawful, open to assessment, compliant with established regulations and procedures, and based upon clear and comprehensive information. In its commercial, promotional and industrial relations, the Company shall proceed in compliance with ethical and legal provisions.

In its business relations, FINCANTIERI shall be guided by the principles of loyalty, fairness, transparency, efficiency and openness to the market, in compliance with the International Conventions which regulate its operations, combating every possible form of crime that could jeopardize fair competition. For this purpose, all those working with the Company as well as external associates whose actions may in any way be connected to FINCANTIERI, shall always adopt appropriate conduct in all businesses relevant to the Company and in the relationship with the Public Administration. Corrupt practices, illegal favors, collusive conduct, and requests (either direct or through third parties) of personal or career-related advantages for oneself or others shall be strictly forbidden.

### **3) Relations with customers and suppliers**

FINCANTIERI shall pursue a correct and clear relationship with its customers and suppliers through the offer of competitive products, in compliance with the rules and regulations of fair competition. The selection of suppliers and the settlement of purchasing conditions carried out by the Companies of the Group, shall be based upon an objective evaluation of quality, price and the ability to supply and guarantee satisfactory services.

In terms of contract and procurement relations and, in general, the supply of goods and/or services, employees shall:

- Comply with internal procedures for the selection and management of relations with suppliers;
- Not prevent any supplying company with the required qualifications, from attempting to win a supply contract, adopting an objective evaluation criteria during the selection, according to clear and codified procedures;
- Obtain the cooperation of suppliers in constantly ensuring compliance with the requirements of customers of the Group in terms of quality, cost and delivery times to a degree that is at least equivalent to their expectations;
- Apply any effort, in compliance with the law, to use products and services supplied by Group Companies at competitive conditions;
- Comply with established contractual conditions;
- Maintain straightforward and open contacts with suppliers, in line with optimal business etiquette;
- Notify relevant Management of the enterprise in case of serious problems with a supplier, in order to create the possibility of evaluating the consequences at a Group level.

### **4) Properties of the Company**

Each employee shall look after and protect the properties and resources that the Company shall entrust to him/her for the performance of his/her tasks.

Employees shall not make improper use of Company properties and resources nor allow others to do so. Use of IT devices is reserved for professional purposes and is regulated by internal rules established by the Company in order to avoid possible damage or alteration of data and/or computer programs stored on remote systems belonging to private or Public third parties.

When an employee leaves the Company for any reason, retirement included, all items belonging to the Company shall be returned, including documents and data processing supports containing information belonging solely to the Company. Confidential information shall not be disclosed neither its improper use shall be allowed. Developments considered "intellectual property" carried out by an employee during the working relationship shall be considered Company property upon departure of the employee from the Company.

## 5) Human resources, safety and the environment

FINCANTIERI shall undertake to guarantee the professionalism of its employees, the health and safety of employees, subcontractors, customers and the communities affected by Company activities, and to reduce environmental impact.

Company policy aspires to develop and maintain the capabilities and skills of each employee, acknowledge merit and ensure respect for equal opportunities, and safeguard the provisions of the United Nations Universal Declaration of Human Rights. The process of personnel selection, hiring and career development is characterized by transparency, and shall be carried out in compliance with Company regulations which guarantee objectivity and traceability. The industrial activities of FINCANTIERI shall be managed in full compliance with rules and regulations in force for environmental protection and prevention of and protection against the risk of work accidents. Operations shall comply with advanced criteria of environmental protection and energy efficiency pursuing the improvement of health conditions and industrial safety.

Research and technical innovation shall be particularly geared to promoting products and processes that are increasingly environmentally-friendly, and that stand out for their increasing attention to the safety and welfare of operators. Employees, as part of their roles and responsibilities, shall participate in the process of risk prevention, environmental protection and safety for themselves, their colleagues and third parties. For this purpose, the Company promotes and organizes training activities for all of its employees.

## 6) Accuracy and transparency of accounts and entries

The financial accounting and management data of FINCANTIERI shall be based on comprehensive and precise information, attestable and consistent with the hierarchical and organizational structure of the Company.

Every entry in accounting books and documents shall reflect the nature of the operation in question and shall be based upon suitable documentation in order that all accounts and documents may be open to objective analysis and verification. The flow of information within the Group, particularly for the drafting of accounting documents and legal communications must comply with the principles of truthfulness, correctness and transparency, with respect for the autonomy of each company and for the specific businesses. FINCANTIERI shall promote and spread – at all levels - a culture distinguished by an awareness of the existence of controls, and the assumption of a mentality oriented toward the exercise of the controls aimed at preventing corporate crime. The attitude towards controls shall be positive in view of the contribution that these make to improving the Company's efficiency.

The responsibility of implementing an efficient system of internal controls shall be common to every level of the organization structure and Corporate Bodies; consequently, directors, statutory auditors and managers, as part of their duties, must contribute to the Company's internal control and involve their collaborators. All employees, as part of their roles, shall be responsible for the definition and correct functioning of the internal control system. Whoever has any knowledge of possible omissions, forgeries and/or irregularities in accounting books and basic documentation must provide notification of such in writing to his/ her superior or to competent Company bodies.

The Internal Auditing, any Corporate Supervisory Board and Audit Firms enrolled shall have free access to the data, documentation and information they require to perform their tasks.

## 7) Loyalty to the Company and conflict of interests

FINCANTIERI shall maintain a relationship of trust and loyalty with each of its employees. They must be loyal and fair, pursuing the interests and objectives of the Company. Employees shall avoid any situation or activity that may cause conflict of interests or that may interfere with their ability to make impartial decisions, in the best interest of the Company.

FINCANTIERI and its employees shall maintain a relationship of complete trust in which the primary duty of the employee is the use of the Company's properties along with his/ her own professional skills for the achievement of the interests of the Company.

In view of this, managers and employees shall avoid any situation and activity that might create a conflict with the interests of the Company or that might interfere with their ability to make impartial decisions in the best interests of the Company and in full compliance with the rules and regulations of this Code. Any situation that could constitute or determine a conflict of interests is to be promptly notified so that its existence and seriousness can be evaluated by a superior or the Corporate Body to which it is presented.

By way of example, the following situations may cause a conflict of interests:

- Economic and financial interests of employee and/or of his/her family in the activities of suppliers, customers and competitors;
- Use of his/her own position within the Company or of the information acquired in his/her own activity so that a conflict between his/her own personal interests and the interests of the Company may result;
- Performance of working activities of any type with customers, suppliers, competitors;
- Acceptance of money, favors or compensation from persons or companies that have or wish to have commercial relations with FINCANTIERI or Companies of the Group.

It is strictly prohibited to make or offer, directly or indirectly, payments and material benefits of any amount whatsoever to third parties, public officers or private individuals, to influence or reward an action of their office. Every employee receiving gifts or preferential treatment not directly attributable to normal complimentary relations must refuse them and inform his/her superior promptly.

## 8) Confidential Information

Information that is not to be disclosed, that is confidential, relevant to know-how or data belonging to the Company are not to be used, communicated or disclosed without the specific authorization of persons in charge of that information, knowledge or data.

In addition to information subject to specific provisions or regulations regarding military or technological sectors, either classified or under secrecy by contract, all information acquired during the performance of work activities or just in connection of such activities whose disclosure and use may cause damage to the Company and/or undue profit for the employee, shall be considered confidential. Information, intelligence and data acquired or processed by employees during their work or tasks shall belong to the Company and shall not be used, communicated or disclosed without the specific authorization of superiors.

FINCANTIERI shall undertake to protect information relevant to its own employees and third parties, deriving or acquired during business relations, and to avoid any improper use of this information.

Any form of direct or indirect manipulation of the financial market, exploitation, use for economic purposes, investment either direct or through a third party ensuing from confidential Company information is against the law and severely prohibited.

## 9) Relations with public officers, domestic, EU or foreign public institutions, and with other subjects representing collective interests.

Contact with public officers or government organizations, public administration and Italian, European or other foreign public institutions, are limited to those who, specifically authorized, are entrusted with developing or having contact with such administrations, public officers, organizations and/or institutions.

Gifts and complimentary acts of courtesy or hospitality in favor of governmental representatives, public officers and public employees may only be permitted when these prove to be of reasonable value and, as such, do not compromise the integrity or reputation of one of the parties concerned and could not be interpreted by an impartial observer as aimed at securing advantages in an improper form. In any case, this type of expense must be authorized at an adequate level and properly documented.

## 10) Relations with political organizations and trade unions

FINCANTIERI shall manage its relations with political organizations and trade unions according to laws, regulations and agreements/contracts in force, guaranteeing the highest principles of transparency and fairness.

The Company shall not make any kind of contribution, direct or indirect, in any form whatsoever, to political parties, movements, associations, committees, political organizations and trade unions, to their representatives and candidates, with the exception of those due, or rather allowed, on the basis of specific provisions of the law. Certain initiatives can be excluded from this field – in respect of the laws in force and with prior authorization at an adequate level – whether strictly related to Company mission or social solidarity.

Activities performed by an employee during working hours in favor of political organizations or trade unions shall be equivalent to a form of contribution in favor of the same. Therefore, in the event that an employee were candidate to public positions or covers a public position or participates in an electoral campaign of a candidate, he/she cannot be salaried for the period of time devoted to such activities, with the exception of cases explicitly provided for by law.

When opinions on public matters are expressed, they must be made on personal account, without ever giving the impression of speaking or acting on behalf of the Company. Only those who have legal representation or have been formally authorized can express opinions in the name or on behalf of the Company, but limited to issues pertaining to the same and/or its business units.

## 11) Relations with the press and mass media

Information to the public shall be truthful and transparent.

The Group shall present itself in an accurate coordinated and consistent way when dealing with the press and mass media. All contact with the press or the media shall be made by those specifically authorized to do so, to ensure the protection of the Group.

Any request for news by the press or the media must be notified to the Company department in charge before any commitment is undertaken to respond to such a request.

**12) Effects of the violations**

Any violation of this Code of Conduct shall jeopardize the trust-based relationship between the Company and employee.

Any violation of the Code of Conduct by directors, statutory auditors and employees could lead to penalties provided for in the Company disciplinary system: revocation of powers or functions, dismissal, reference to the administrative or judicial authorities.

Violation of the principles contained in this Code by any third party with whom FINCANTIERI has commercial relations could cause the termination of the contract.