

CODE OF ETHICS

EUROTECH SpA

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Introduction

Foreword

Eurotech, founded in 1992 as an “ideas factory”, has grown to become, today, a group with an international presence that works on frontier technologies. In a short space of time it has become one of the global leaders in the sector of hi-tech computer miniaturisation. It intends to strengthen its leadership also by spelling out its basic values concerning stakeholder relations.

This Code of Ethics (also called the “Code” hereinafter) is thus meant to be a statement of the rights and duties of Eurotech SpA (“Eurotech” or “Company” hereinafter) vis-à-vis all its stakeholders, i.e. shareholders and the market, customers, staff, parties with whom we do business, Public Administrations, local communities, and the environment. In this Code we express the standards and rules of conduct that enhance corporate decision-making processes and guide corporate conduct.

This code is also an integral part of Eurotech SpA’s organisation, management & control model pursuant to Italian Legislative Decree no. 231 of 8 June 2001 concerning “Rules governing the administrative liability of legal entities, partnerships, and also of associations without legal personality, pursuant to Article 11 of Law no. 300 of 29 September 2000”. The Code contains the general principles and rules of conduct recognised by the Company as having positive ethical value and with which all recipients of the Code must comply.

Scope of application and recipients

The standards and rules of this Code came into force on 28 March 2008 when they were also approved by the Board of Directors and are valid in all geographies where the Company is active. The recipients and users of the Code are thus identified as being: directors, attorneys-in-fact, statutory auditors, employees and outside staff, and all those who, directly or indirectly, on an ongoing or temporary basis, have dealings or relations with the Company to pursue its objectives. Eurotech submits its Codes to its subsidiaries so that they may follow its principles during the course of their work.

Charter of Values

Eurotech’s mission is to integrate state-of-the-art computer and communication technologies in miniaturised, easy-to-use solutions, capable of making everyday life better, safer, and more comfortable.

Eurotech believes in some essential values, i.e. honesty, integrity, and respect for individuals. It also firmly believes in the fundamental importance of reciprocal trust, transparency, teamwork and professionalism, and in pride in one’s work. The Company wants to contribute to sustainable development, seeking a balance between short- and long-term interests, and integrating economic, environmental and social considerations in the corporate decision-making process. Eurotech operates observing the laws of the countries where it is active and recognises the importance of regular dialogue and engagement with individual stakeholders.

Rules of conduct

a. Vis-à-vis shareholders and the market

Eurotech's objective is to enhance the value of its shareholders' investment, pursuing development policies capable of generating, over time, sustainable growth. The Company bases management of its business on correctness, endeavouring to implement systems permitting verification of the process of deciding, authorising, and performing business activities. It also works to communicate realistic and transparent information to the outside world. Confidential information is managed by means of appropriate internal procedures, whilst disclosure of price-sensitive information takes place in accordance with current regulations.

b. Vis-à-vis customers

Eurotech follows a growth process influenced by the success of its customers because, as a vendor, it links achievement of its own objectives to their results. Customer satisfaction is consequently a fundamental component of its activity and work. Understanding and meeting customers' needs in terms both of products and service is, and must remain, a fundamental ingredient of the Company's way of working. Dealings with customers are based on openness to dialogue, understanding of needs, and of ethicality in respecting agreements, with a view to consolidating customer relationships also in the long term.

c. Vis-à-vis personnel

In respecting the universally accepted rules of employment legislation, Eurotech safeguards and enhances the value of its personnel – meaning the combination both of dependent employees and of outside staff who serve the Company based on contracts other than dependent employment contracts. It also assures the freedom of trade-union association and the right to collective bargaining. It repudiates all forms of forced labour and juvenile labour, together with all forms of discrimination. Personnel are required to act loyally and in good faith, respecting their contractual obligations and providing the service required. The Company undertakes to use appropriate instruments to inform personnel of corporate rules and procedures, requiring scrupulous compliance with them.

c.1. Personnel management policies

The Company is committed to respecting personnel's human rights and to offering them good and safe working conditions, together with satisfactory and competitive pay. It promotes development and maximum enhancement of their capabilities. It aims to create an inclusive work environment where each employee has equal opportunities to develop his/her skills and capabilities and receives fair pay based on merit criteria. Personnel are encouraged to take an active part in planning and managing their work and to provide appropriate channels for advising of any reasons for concern. Teamwork is essential to ensure that individuals are fully able to express their energy and creativity for achievement of their full potential.

c.2. Health and safety

Employees' health and safety are managed with a systematic approach to achieve continuous improvement of results. The Company is committed to promoting and spreading a safety culture, developing awareness of risk management, encouraging responsible behaviour, and endeavouring to preserve – above all with preventive action – personnel health and safety. Personnel are under obligation to comply scrupulously with the rules and obligations stemming from health and safety laws and official regulations, and also with all measures required by internal procedures and regulations.

c.3. Conflict of interests

Personnel are under obligation to avoid all situations and activities (a) where a conflict with the Company's interests may emerge or (b) that may interfere with their ability to take impartial decisions in the Company's best interests and in full observance of the Code's rules. They must also refrain from gaining personal benefits from acts disposing of corporate assets or from business opportunities coming to their knowledge during performance of their functions. Any situation that may constitute or cause a conflict of interest must be promptly notified to the person's superior or company contact, or to the body responsible for overseeing the Code.

c.4. Protection of information

The privacy of personnel is safeguarded in observance of relevant regulations, also via operating standards specifying the information received and the ways in which it is processed and kept. Information, data, and knowledge acquired, processed and managed by personnel during performance of their job must remain strictly confidential, be appropriately protected and cannot be used, communicated or disclosed – either inside or outside the Company – except in compliance with current regulations and corporate procedures.

c.5. Business ethics

The Company prohibits fraudulent practices and conduct, corruption or attempts to corrupt, favouritism and, more in general, conduct against the law and the rules established in this Code. It is forbidden for personnel to receive gifts or presents that might even be merely interpreted as going beyond normal commercial practices or courtesy – or that might in any case be interpreted as aiming to receive preferential treatment for the person concerned or in conducting activities that can be connected with the Company.

d. Vis-à-vis parties with whom the Company does business

Eurotech assures honesty, integrity, and fairness in all aspects of its business and expects the same conduct in dealings with all parties with whom it does business. It assures reciprocal benefits in dealings with contract staff, vendors, and joint-venture partners. These parties must be informed of the Code's existence and of related commitments and endeavour to promote them.

e. Vis-à-vis Public Administrations

Eurotech's relations with Public Administrations are based on the principles of correctness, transparency, and co-operation, as well as on rigorous observance of applicable legal requirements and regulations. They are such as not to jeopardise the Company's integrity or reputation. Making commitments to Public Administrations is the sole prerogative of the relevant functions authorised to do so. The Company rejects all conduct that may be interpreted as a promise or offer of money, goods or other types of benefits to promote and foster its interests and gain advantage from the same. The Company is committed to avoiding any form of present to Italian or non-Italian public officers or officials of any type, or to members of their family, also via third parties, such as to affect independence of judgement. Gifts or presents are allowed only if they are in line with the "business ethics" principle detailed earlier. It is also severely forbidden to use third parties (for example: outside staff, advisors, agents or representatives and/or third parties in general) to propose, attempt and/or undertake corruption or illicit payments, or in any case inappropriate payments, under whatsoever guise, to public officers or government representatives or to parties forming part of national or international entities, or to their relations, friends, staff, or associates.

f. Vis-à-vis local communities

Eurotech performs its business activity as a responsible citizen and member of the local communities where it operates, interacting transparently with local players and co-operating with stakeholders in aiding development of local areas.

g. Vis-à-vis the environment

Eurotech pays the utmost attention to the environment and to the communities where it operates and bases its approach on the objectives indicated in the international conventions on sustainable development to which Italy adhere. The Company continuously seeks solutions permitting reduction of the environmental impact of its activities, products, and services. It also works on the implementation of systems for managing environmental variables that envisage building of awareness and involvement of employees. The aim is to (a) encourage a sense of responsibility for observing the environmental policy, objectives, and programmes, (b) monitor the constant conformity of the environmental policy adopted, and (c) prevent environmental pollution and incidents.

Implementation approach

Oversight Committee

The Oversight Committee ("Committee" hereinafter) has been set up and has the following tasks concerning implementation of the Code:

- a. Oversee effective application of the Code by the parties concerned, via the application of specific compliance programmes, also receiving and evaluating in a discretionary and responsible manner any reports provided by internal and external stakeholders

- b. Report regularly to the Board of Directors on the results of its activity, advising of any significant breaches of the Code
- c. Express opinions concerning revision of the more important policies and procedures to ensure their consistency with the Code
- d. Promote training and communication activities concerning the Code's contents relating to conduct
- e. Plan and manage checks to examine the Code's adequacy and, when necessary, propose its revision.

Communication and training

Stakeholders are made aware of the Code via corporate communication tools. It is given to recipients using the methods most appropriate for the purpose, including training meetings and materials.

Reports of infringements

The parties concerned can report – in writing and in non-anonymous form – any infringement or suspected infringement of the Code to the Committee, sending their notification to a specially created electronic mailbox or using specific collection boxes located in workplaces. Confidentiality of the identity of the person filing the report is assured, saving any legal obligations. The Committee analyses the report and may talk to the author and to the person responsible for the alleged infringement. It acts in such a way as to protect people reporting infringements against any type of retaliation, meaning any act causing even the mere suspicion of any form of discrimination or penalisation.

Infringements

In cases of ascertained infringement of the Code of Ethics – observance of which is an essential part of the contractual obligations taken on by employees and/or outside staff and/or by parties who in any way serve the Company – disciplinary measures are taken when this is deemed necessary to protect corporate interests and is compatible with applicable legislation and regulations. Such measures may even lead to termination of employment and compensation for damages. As regards the other recipients required to adhere to the Code, infringement of its principles leads to adoption of measures proportional to the gravity or repetition of the failing or to the degree of wrongdoing, going as far as termination of contracts in place with the parties concerned. Once again in this case, Eurotech can claim compensation for the damage caused as a consequence of the conduct in question.