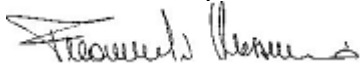


# **PULSAR CODE OF ETHICS**

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## **1. INTRODUCTION**

This Code of Ethics is an integral part of the system of prevention and protection which Pulsar srl intends to adopt, influenced in this effort by Italian legislative decree no. 231 dated June 8, 2001 (hereinafter "Legislative Decree no. 231/2001" or "Decree").

This decree introduced the principle of administrative/criminal responsibility of collective entities (thus including companies) into national law, resulting from crimes committed to the benefit of or even just in the interest (without there being a real benefit) of the same institutions by persons who have powers of representation, administration or management of these entities, or by persons who, de facto, exercise management and control, or by persons under the management of the latter.

Moreover, the same law provides the opportunity for an organisation/company to avoid sanctions related to the adoption of models of organisation, management and control suitable for preventing the commission of offences, considered as a source of responsibility. The Code of Ethics is the guiding document for the organisational and management model.

This Code of Ethics is intended to state in a concise but clear and complete way, to the extent possible, the principles and values of PULSAR, as well as the general rules of conduct guided by the same principles and values, and to disseminate knowledge inside and outside the company.

PULSAR recognises the importance of ethical and social responsibility in conducting business and performing company activities. It deems the good reputation and positive image of a company to be a fundamental asset and a foundation for the pursuit of its mission, contributing particularly to promoting a relationship of trust with its stakeholders and avoiding prejudiced and hostile attitudes towards the company itself as unethical behaviour inevitably produces.

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## **2. RECIPIENTS AND SCOPE OF APPLICATION OF THE CODE OF ETHICS**

This Code of Ethics applies to all activities of PULSAR, both in Italy and abroad, and its subsidiaries and affiliates.

It is addressed to directors, officers, employees, external collaborators of PULSAR and, in general, to all those who work in the name of, on behalf of or for the benefit or in the interest of the Company.

All of them, without exception, are required to know the content of the Code of Ethics and feel committed to observing and enforcing the same as part of their duties and responsibilities.

In no way does the conviction of acting for the benefit of or in the interest of the Company, justify the adoption of behaviour that conflicts with the principles and rules of conduct set out in this document.

Every Recipient who becomes aware of a breach (actual or potential) of one or more provisions contained in this Code of Ethics by one or more people or by anyone acting in the interest of the Company, must immediately notify Company Management.

In particular, in any business relationship, all Partners and counterparts must be informed by the person in charge of the existence of the Code of Ethics and of being contractually bound to comply with it.

To this end, with regard to third parties, the Recipients of the Code, according to their respective responsibilities, are responsible for:

- adequately informing them about the commitments and obligations imposed by the Code
- requiring compliance with the obligations that are directly related to their business
- taking the appropriate internal initiatives and, if authorised, external ones, in the event of non-performance by third parties of compliance with the rules of the Code.

PULSAR, on its part, commits to:

- promote awareness of the Code of Ethics among all employees,
- encourage the widest possible dissemination of the Code of Ethics among the Company stakeholders, particularly among the commercial and financial partners, consultants, collaborators of different types, customers and suppliers;
- update the Code whenever changes, internal and external to the Group, make it necessary or appropriate;
- provide a differentiated training program and an activity of continuous awareness of issues pertaining to the Code;
- carry out all the necessary checks regarding any reports related to possible violations by applying appropriate sanctions, in case of verification of the same;
- ensure that no one is subject to retaliations of any kind for having reported, in good faith, possible violations of the Code of Ethics, ensuring, however, the right to confidentiality of their identity, without prejudice to legal obligations.

This document limits itself to setting out the operational guidelines that the Recipients are required to follow, and therefore does not provide precise and quick solutions for any circumstance or situation that may occur.

Therefore, for any clarification related to the interpretation or application of the principles and rules of conduct set out in these guidelines, the Recipients must refer to Company Management.

### **3. COMPANY MISSION**

PULSAR's mission is strengthening its position as a leader in the industrial sector at the international level, through a strategy based on continuous pursuit of excellence, aimed at meeting the needs of an increasingly wider client base, with growing efficiency.

In this way PULSAR can create value for its shareholders and promote the professional growth of its employees and partners, while developing and maintaining a trusting relationship with all external stakeholders involved in PULSAR's business and, generally, with the communities in which it operates.

### **4. CORE VALUES**

A company is not an abstract or transcendent entity, but something alive and real which, by operating through the work of women and men carrying out the fundamental function of creation of wealth and well-being, interacts daily with the related social and natural environment.

Its activity thus cannot be guided only by the quest for profit, but must be imbued with values and principles that make the company an ethically responsible operator in the world of production.

In particular, PULSAR, recognising itself in this perspective of the company role, is guided in its work by the following values:

- compliance with current laws and regulations in countries and markets in which it is present and active, even through third parties;
- honesty, fairness and transparency in its relationships with all the different stakeholders, whose interests must not be violated for the benefit of others;
- respect for the individual, whatever his position in society and in the production system, and repudiation of all forms of abuse, exploitation and discrimination related to the same;
- protection and enhancement of human resources, wherever they operate, recognised as a primary factor for the success of PULSAR strategies, and in any case entitled to fair treatment, aimed at guaranteeing physical and mental integrity and respectful of the specificity of each individual worker;
- entrepreneurship and fair competition for competitive market comparison that rewards efficiency, the courage to invest and the ability to innovate, to the benefit of the most dynamic operators and their customers and, consequently, of the end users;
- respect for the ecosystem, with careful and responsible use of natural resources, with a view to sustainable development and protection of rights of future

generations;

- responsibility towards the community, recognising important economic and social consequences that may result from the choices and the decisions made by PULSAR.

## **5. CODE OF CONDUCT**

### ***5.1 Relationships with the Public Administration***

For the purposes of this Code, Public Administration is intended in the broadest sense, also including the Public Administration of Foreign States and supranational public bodies and all persons who may be qualified as such under current legislation and current interpretations by case law and the literature.

In particular, in addition to government, is Public Administration is intended to be any public body, independent administrative agency, person or entity acting as a public officer or engaged in public service.

The relationships with Public Administration are strictly limited to involving those who are assigned to the function performed or who are specifically and formally appointed by PULSAR to have contact and/or deal with Public Administration and its officers and representatives for specific projects.

These relationships must be based on honesty, fairness, transparency and full compliance with the laws and regulations, respecting the public nature of the role.

Any behaviour, direct or through a third party, designed to improperly influence the decisions of Public Administration or to obtain favourable treatment, even indirectly, in conducting business, is prohibited.

In this respect, for Public Administration representatives, their relatives, peers and people connected to them through friendship and/or interest, even in the presence of illegal pressure from superiors, the following is prohibited:

- promising and/or making cash donations
- promising and/or giving gifts and gratuities beyond the provisions of corporate practice or normal sales practices or courtesy
- promising and/or granting other benefits and utility of any nature (travel, employment offers or commercial advantages etc.).

These prohibitions cannot be bypassed or circumvented through the granting of sponsorship and/or grants in favour of Public Administration or agencies, or through the assignment of tasks to people in some way connected to those who work in Public Administration.

In addition, PULSAR, through the work of those who act on its behalf, cannot:

- represent itself in relationships with Public Administration through third parties, if it can, even if only abstractly, lead to a conflict of interest;
- interact with Public Administration in order to solicit and/or obtain confidential information;
- omit information due to Public Administration or use or submit false documents or those certifying falsehoods;
- mislead the State or another public entity with trickery or deception;
- alter in any way the operation of a computer/electronic system of Public Administration or intervene, without authorisation and in any way, on data and/or information and/or programs stored in the Public Administration computer/electronic system or related to it.

While the rules of conduct mentioned above are related to relationships with Public Administration in general, those who represent PULSAR in certain specific activities or otherwise act in its interest, must behave with particular attention in order to avoid any possible misunderstanding about their intentions as well as those of PULSAR.

These activities are:

- business dealings with Public Administration and participation in invitations to tender from the same Public Administration
- request to the Public Administration for authorisations, licenses and concessions
- trademark and patent filings
- customs formalities
- criminal, civil and administrative procedures
- judicial inspections and public bodies for control and verification related to taxes and contributions, related to compliance with regulations on occupational safety and obligations related to protected groups
- application to the State, the European Union or other public funding entities (subsidies, loans, grants, special rate mortgages and other provisions of the same type).

In relation to this activity, it should be added that, once the public funds are obtained, they are to be used exclusively for the purposes and initiatives, formally communicated in the application, for which they were requested.

## **5.2 Administrative and accounting management**

A reliable and transparent administrative-accounting system forms the basis for the company and corporate management, able to pursue entrepreneurial goals in a balanced manner and in full compliance with the law, applicable regulations in force as well as in the legitimate interests of PULSAR stakeholders.

This system must, in particular, ensure that all transactions and operations are properly recorded and that the verification of the process of decision, authorisation and execution is possible at any time.

Accounting must be based on generally accepted principles and comply with the specific regulations related to companies listed in regulated stock markets.

Financial records must be accurate and truthful.

Entries must not be falsified, funds, property or transactions must not be hidden or unrecorded.

Accounting records must be kept in an accurate, complete and timely manner in order to have a faithful representation of the operating results, financial position and cash flows and management activities.

Each transaction must be supported by adequate, clear and complete documentation, which must be kept in the records and be readily available so that the characteristics of the transaction can be checked at any time.

In particular, no payment can be made without adequate supporting documentation.

The data and information contained in the financial statements, reports and other company communications required by law for shareholders and the public must represent the actual operating results, financial position and cash flows of the Group and of the companies that are part of it.

Conduct, by anyone and for any reason, aimed at altering correctness and veracity, is absolutely prohibited.

All those involved in the activity of preparation of the financial statements and other similar documents must operate with full cooperation, provide clear and comprehensive information, commit to ensuring accuracy of data and its processing, as well as report to department heads and the supervisory body about any conflicts of interest.



The auditors, both internal and external, must have free access to data, information and documents necessary for doing their job. In addition, no impediment or obstacle can be placed in the pursuit of checking or auditing activities assigned by law to shareholders, other corporate bodies, auditing companies or external supervisory bodies.

### ***5.3 Relationships with Collaborators and Partners***

PULSAR recognises the importance of the contribution that external collaborators and partners can make to the achievement of its growth and development objectives, as well as the contribution by these entities to the company image.

Therefore, external collaborators (consultants, agents, etc.) are selected on the basis of professional preparation and reputation.

The tasks entrusted to external collaborators must be drafted in writing and verified and approved solely on the basis of the existing powers.

Compensation in favour of external collaborators who are not adequately qualified in relation to the type of work to be performed and local practices, is prohibited.

Equally relationships can be established only with partners who have a respectable reputation, are engaged only in lawful activities and are guided by ethical principles that are comparable with those of PULSAR.

The association agreements with Partners (joint ventures, temporary association of companies, etc.) must be defined in writing, including all the conditions of the agreement and must be verified and approved solely on the basis of existing powers.

Services in favour of the Partners that are not justified in the context of the associative relationship established with the partners, cannot be performed.

Signing pacts or secret agreements with collaborators or Partners, if against the law or aimed at its violation, is prohibited.

### ***5.4 PULSAR administration and management***

As part of its activities, the Directors, General Managers and their subordinates are required to adhere to the principles of correct management in accordance with what is provided by the Civil Code and the legislation on corporate crimes.

Particular attention must be paid to: the correct preparation of financial statements and other company communication; the correct and complete dissemination of documents and information required by law; the timely communication of the existence of a conflict of interest by directors, promoting the performance of checks or auditing, by law attributed to shareholders, other corporate bodies and the independent auditors as well as activities of public supervisory authorities which come into contact with the company because of their official duties; protecting the integrity of the asset; the correctness of relationships with all partners and allowing their regular meeting; the purchase of shares

of the Company only under the conditions provided for by law.

### ***5.5 Contributions and sponsorship***

PULSAR can be involved in providing grants and sponsorships, but by paying utmost attention to avoid any possible conflict of interest at a personal or business level.

Regarding the grants, it can only be limited to requests from agencies and non-profit organisations with regular statutes and constitutional deeds, in relation to initiatives that are of high cultural and social value or for charity and in any case, involving a significant number of citizens.

All grants must be provided strictly in accordance with laws in force and appropriately recorded.

As for sponsorship, they must be governed by a written contract that clearly states the terms agreed upon between the parties and in particular the bilateral relationship between the sponsor and sponsored.

Sponsorships can involve social and environmental themes, sports, entertainment and art, and are destined only for initiatives and events which offer guarantees of quality.

Grants and sponsorships can be conceded in favour of public entities, provided that they involve limited amounts and parties with whom PULSAR has not had recent business relationships nor is expected to have in the near future.

In any case, if the grants or sponsorships are in favour of public entities, the Recipients are required to comply with the requirements referred to in paragraph 5.1 of this document.

### ***5.6 Integrity and dignity of the person***

PULSAR considers respect for the integrity and dignity of every human being as a primary value to be protected with utmost determination.

It therefore condemns unreservedly any activity, no matter where it takes place, to the detriment of that value, in particular those aimed at exploitation in any form, of the work of people in need and/or discomfort, and/or sexual exploitation of children, no matter how it comes about.

### ***5.7 Relationships with political parties***

PULSAR recognises the high value of the principle of free political determination which the democratic state inspires.

It can, therefore, in Italy and abroad, contribute to the financing of political parties, associations, committees and political organisations and trade unions operating within the democratic system, according to methods prescribed by the laws in force in different countries. Any grant from PULSAR that can be considered as funding for political activity must be taken into consideration in advance by the General Management, which will verify its compliance with applicable laws.

Any form of support, and to the extent applicable, of tolerance towards individual or groups of individuals performing terrorist activities or in any way violent, aimed at subversion of the democratic state, in Italy and abroad, is prohibited.

### ***5.8 Organised Crime***

PULSAR condemns and rejects, both as a principle and from an operational perspective, any kind of criminal activity, with particular attention to those that involve organised criminal groups and whose preparation and/or management and/or implementation involves multiple states, or whose substantial effects are produced in a State other than that in which the offence is committed.

### ***5.9 Relationships with the judicial authority***

PULSAR respects the judicial authority and the role it plays and maintains correct and fully cooperative conduct in this regard, condemning any attempt to make or inducing to make false or incomplete statements to it.

### ***5.10 Activities and Relationships with the financial market***

The adoption of behaviour bordering on crime or administrative offences related to activities and relationships with the financial market is prohibited.

In particular, the conclusion of transactions on the financial market where such conduct is intended to effect artificial or simulated transactions in violation of the regulations laid out by supervisory authorities is to be strictly avoided.

Distributing, by any means, information, rumours or false or misleading information on the Company, or engage in fake transactions or other techniques capable of causing a change in the price of financial instruments managed by PULSAR, is prohibited.

The use, for any purpose other than the pursuit of legitimate business objectives, of data and information about PULSAR which the directors, employees and partners of the Group possess due to their position and function performed, is prohibited.

This data and information should be considered as strictly confidential.

The internal and external communication of the decisions made by the Company and of the events that occur within the scope of business, are subjected to specific company procedures, which must be strictly adhered to.

### ***5.11 Safety and health at work***

PULSAR promotes and disseminates a culture of safety, developing risk awareness and promoting responsible behaviour on the part of employees and partners; it moreover guarantees a healthy and safe space and working conditions, in full compliance with existing regulations on the subject.

All employees and partners are expected to scrupulously observe the obligations and rules deriving from this legislation, as well as all health and safety measures in accordance with internal procedures and rules.

### ***5.12 Receiving and recycling***

Inside PULSAR, any operation at the national, extra-national and transnational level, involving even the slightest possibility of the Company's involvement in receiving, laundering and using money, goods and other things of illegal origin, is strictly prohibited.

The establishment of business relationships with customers, suppliers and partners must include careful checks on the reputation and ethical values of the other party to enable exclusion of risk of violation with reasonable certainty, at the national or international level, of any law on money laundering by those who work for the benefit or in the interest of PULSAR.

### ***5.13 Conflict of interest***

In performing any activity, PULSAR pursues the goal of avoiding situations of conflict of interest, those real or even potential.

In addition to the case referred to in paragraph 5.4 of this Code, a conflict of interest arises when personal interests or activities affect, actually or apparently, the ability to operate in the complete interest of the Company.

The directors, shareholders, managers and employees of PULSAR must avoid any situation which could lead to conflict with the interests of PULSAR; in particular any conflict of interest between personal and family financial activities and the position held at PULSAR, as well as any form of partnership which would conflict with the responsibilities assumed must be avoided.

### ***5.14 Confidentiality and Privacy Policy***

In internal and external relationships with PULSAR, the recipients must ensure the confidentiality of personal and sensitive information and data in their possession. They are obligated to not use confidential information for purposes unrelated to the performance of their activities and must refrain from searching for confidential information, except in the case of express and informed consent by superiors and in accordance with the legal provisions in force on privacy protection.

## **6. IMPLEMENTING PROVISIONS**

### ***6.1 Dissemination and training***

This document is disseminated and brought to the attention of employees, external partners of PULSAR and, in general, to anyone who comes into contact with the Company, through appropriate communication activities.

In case of updates to this document, PULSAR is responsible for disclosing changes made, promoting knowledge of and compliance with the same.

This Code of Ethics is displayed by posting it in a location accessible to all employees.

Failure to comply with the principles and standards of conduct contained herein means the possibility of disciplinary action by PULSAR.

In order to ensure correct understanding of this document by all employees, the General Management prepares and implements a training plan aimed at promoting awareness of principles and ethical standards.

Training initiatives are differentiated according to the role and responsibilities of employees.

The external Collaborators and Partners are required to observe the same principles and models of behaviour referred to in this document. It is therefore necessary to make express mention of the above in contracts with these collaborators and provide them with a copy of this document.

### ***6.2 Contractual value of the Code of Ethics***

This document is an integral part of the employment contract between Pulsar and the employee and between Pulsar and every worker, in whatever contractual form the relationship has to be managed.

In particular, compliance with the provisions of the Code of Ethics is an essential part of the contractual obligations of the employees of the Company, pursuant to Art. 2104 of the Civil Code, as reported below:

"Employee Diligence - The employee must use diligence required by the nature of the work to be performed, by the interests of the company and by the higher interests of national production. He must also comply with the provisions for the execution and discipline of the work assigned by the entrepreneur and by the employees of this hierarchy on whom he depends".

### ***6.3 Duties of Company Management and the Board of Directors in relation to the Code of Ethics***

**The following tasks are entrusted to Company Management:**

- verify implementation and compliance with the Code of Ethics;
- monitor initiatives for the dissemination of knowledge and understanding of the code of ethics;
- receive and investigate reports of violations of the Code of Ethics;
- analyse proposals for the revision of policies and business procedures that could affect the company ethics and prepare possible solutions to present to the Board of Directors for evaluation;
- propose changes, updates and additions to the Code of Ethics to the Board of Directors.

**The Board of Directors** is responsible for:

- making decisions on significant violations of the Code reported by the Supervisory Board;
- voting on changes to the most relevant company policies and procedures in order to ensure consistency with the Code of Ethics;
- reviewing the Code of Ethics periodically.

### ***6.4 Reports***

As already stated in paragraph 2, any reports of violation or suspected violation or requests for violation of the Code of Ethics are reported to the Company Management, which will analyse the report.

The Company Management guarantees reporters protection from any kind of retaliation, discrimination or penalty. Confidentiality of their identity is also ensured, without prejudice to legal obligations and the protection of the Company.

### ***6.5 Violations of the Code of Ethics***

The Company Management reports violations of the Code of Ethics resulting from reports

or monitoring activities to the Board of Directors and indicates the measures deemed necessary.

The related company departments, at the initiative of the Board of Directors, establish the necessary measures, ensure their implementation and report their findings to the Supervisory Board.

#### **6.6 *Sanctions for employees and managers***

The violation of the provisions contained in this Code of Ethics can result in the application by the Company of disciplinary sanctions provided for by the national collective labour agreement.

#### **6.7 *Sanctions for directors and self-employed workers***

Every contract/appointment involving self-employed workers (supplementary employees, agents, contractors etc.) includes penalty clauses, which also include the possibility of termination of the contract, to be applied in case of violation of the Code of Ethics by the worker/firm.

In case of violation of the Code of Ethics by the directors and self-employed workers, the Company Management must inform the Board of Directors, which will take the most appropriate steps according to the Civil Code, including claim for potential damages.