



LTE Italia S.r.l.

CODE OF CONDUCT & ETHICS

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1. FOREWORD

The Code of Conduct & Ethics (hereinafter the „Code“) is an integral part of the LTE Italia organisational model and is adopted under the Legislative Decree n. 231 of 8 June 2001 (hereinafter, “Decree”). The Code contains a set of principles and rules of conduct to be followed by the recipients as they carry out their activities.

Under the Legislative Decree No. 231/2001, but more generally in pursuance of a legality-focused policy, LTE ITALIA S.r.l., hereinafter LTE ITALIA, seeks to clearly define the **set of values acknowledged** and adopted by the Company as its guiding criteria, as well as the set of responsibilities taken internally and externally.

LTE Italia has adopted this Code in order to shape its operations, conduct and modus operandi after **correctness, legality, impartiality, transparency, protection of privacy, value of human resources and professional rigour**: this applies to both internal and external relations, as the attention is placed on full compliance of current regulations and on adherence to internal procedures.

A clear “ethically-oriented” modus operandi by LTE Italia, which translates into internal and external transparency, loyalty and honesty of conduct is, in fact, essential to ensure the credibility of LTE Italia towards its stakeholders (Public Administration, shareholders, customers, providers, etc.) and, more generally, within the civil and economic context in which the company operates. Each Recipient is required to know the Code, actively contribute to its implementation and report any fault. LTE Italia undertakes to promote the knowledge of the Code amongst its Recipients, to incorporate their contribution in the shaping of its content, and to provide suitable tools to ensure its full and effective application. Any conduct going against the spirit of the Code will be sanctioned in accordance with the procedures elaborated by the Company. Amendments and additions to the Code may be adopted, by resolution of the Board of Directors of LTE Italia, according to regulatory developments and application experience, as well as suggestions and indications by the Supervisory Board.

The Code seeks to enhance the values listed hereunder:

- moral integrity, personal honesty and fairness in internal and external relations: LTE Italia believes that human conduct should not only be law-abiding; it is also necessary for it to be fair, sincere and correct.
- transparency towards shareholders, stakeholders and the market: the **objectives** pursued **must be inspired** by values and parameters of competence, austerity, transparency, competition and impartiality. The information disseminated by LTE Italia, both internally and externally, must be truthful, accurate and complete. Every operation and transaction must be correctly recorded, authorised, verifiable, legitimate, consistent and fair. It shall be possible to verify the decision, authorisation and implementation process of all actions and operations.
- respect for employees and commitment to enhance their professional skills: LTE Italia recognises the centrality of human resources and believes that the key to success for each company is the professional contribution of the people working in it, in a framework of loyalty and mutual trust. In addition to institutional training, provided at specific times in the employee’s career, all staff members are provided regular training aimed at developing their skills and competences and at fully enhancing the resources available in the workplace. With regards to staff management, LTE Italia grants equal opportunities for all, ensuring fair treatment based on merit, without discrimination. Staff are employed under a regular work contract and no form of irregular work is tolerated.

- Protection of health, safety and the environment: as LTE Italia faces the future, it prioritises the policies for safety and environmental protection. The long-term objective is to bring operating accidents, occupational accidents and environmental impact down to zero. With regards to operational safety, the overall objective is to further reduce the number and consequences of accidents by leveraging technological investments, new active policies on the human factor and training; more generally, the objective is to reject any conduct that, albeit aimed at achieving goals in LTE ITALIA's interest, shows elements of incompatibility with an organisational and management model characterised by absolute compliance with the rules of law and the ethical and procedural regulations of LTE ITALIA.

Consequently, LTE ITALIA undertakes to monitor compliance with the Code, by providing adequate tools for information, prevention and control, and by intervening, if necessary, with appropriate remedial actions.

2. RECIPIENTS, SCOPE AND UPDATE

The principles and provisions of this Code are binding for the following Recipients:

- subjects who are in top position within the company organisation (directors, managers);
- subjects who are subordinate to the former within the organisation (Employees);
- external collaborators who, directly or indirectly, offer services related to the business activity (consultants, external professionals);
- commercial or operational partners of LTE ITALIA, employed in projects and operations;
- members of companies directly or indirectly controlled by LTE ITALIA.

All Recipients undertake to pursue their objectives with loyalty, integrity, honesty, competence and transparency, in full compliance with the existing laws and regulations.

It is the right/duty of all staff members to contact their line managers or the Supervisory Board in case of clarification on the Code's implementing rules; they must also promptly report any information related to possible violations of the Code to the Supervisory Board, and collaborate with the corporate structures in charge of the auditing process.

In case of violations by line managers, a written report must be submitted to the Supervisory Board or to a manager in the same organisational structure. The confidentiality of the report will be guaranteed.

The CEO of LTE Italia is responsible for the implementation of the Code. When detected, violations must be reported to the Board of Directors and the Supervisory Board, so that the competent corporate bodies can sanction the breaching staff members.

In this context, LTE ITALIA undertakes to:

- encourage maximum dissemination of the Code, by providing for its in-depth study and updating, and by making the management policies and guidelines for each area of activity accessible to all employees;
- ensure ad hoc training programmes and sustained awareness on issues relating to the Code of Ethics;
- carry out all necessary verification on potential infringements, and apply appropriate penalties in case of detection;
- ensure that no one is subjected to retaliation of any kind after providing, in good faith, information on potential violations of the Code, and guarantee the right to confidentiality of the informant.

3. RESPECT AND DEVELOPMENT OF HUMAN RESOURCES

Human resources are an indispensable element for the existence, development and success of any company.

LTE ITALIA, therefore, pays particular attention to the enhancement, protection and development of the skills and competences of all its employees, so that they can fully express their potential and professionalism.

LTE ITALIA offers to all its employees equal employment opportunities, depending on their professional characteristics and performance, without any discrimination.

For this purpose, LTE ITALIA, in compliance with the laws, regulations and company policies and via the competent provisions, undertakes to:

- select, hire, pay, train and evaluate employees on the basis of merit, competence and professionalism, without any discrimination based on religion, race, language, sex, or political and/or trade union affiliation;
- establish a working environment where relations between colleagues are based on loyalty, fairness, cooperation, mutual respect and trust;
- provide working conditions that are suitable in terms of safety and health, respectful of everyone's moral personality, and therefore conducive to prejudice-free interpersonal relationships;
- Intervene in the event of attitudes not complying with the above principles;
- In particular, eradicate any form of intimidation, hostility, isolation, undue interference or conditioning, sexual harassment.

For working relations to evolve, LTE ITALIA promotes development potential and professional growth for all resources, by providing specific training and updated programmes in relation to each one's professional profiles and potentiality.

Staff members are required to acquire new skills, knowledge and working methodologies, and share the information with their line managers or managers, while executives are required to pay utmost attention to the enhancement of the potentialities and aptitudes of the staff.

4. INTERNAL RELATIONS

Compliance with the rules contained in this Code must be considered an essential part of the **contractual obligations** of all employees under art. 2104 c.c., according to which „*the service provider must use the diligence required by the nature of the service due, by the interest of the company and by the superior interest of national production*. They must also follow the instructions given by the chief executive and the line-managers for the work's execution and the regulation”.

The Code is therefore an **integral part** of the individual working relation.

Consequently, the conduct of employees as they pursue their objectives and complete operations, must be inspired by the principles of honesty, transparency, loyalty, integrity and fairness, in compliance with the company's policies, laws and regulations.

The belief of acting in LTE ITALIA's benefit cannot, in any way, justify any conduct conflicting with the principles dictated by this Code of Ethics, whose widespread observance is fundamental for the proper functioning and the prestige of LTE ITALIA and the Group.

This commitment must also apply to anyone operating in the name and on behalf of LTE ITALIA.

Any situation or activity that may lead to conflicts of interest or that could interfere with the ability to make impartial decisions shall be avoided.

The information acquired by employees and/or consultants in the performance of the entrusted tasks must remain strictly confidential and must not be disseminated within and outside the company, except when in compliance with current legislation and company procedures.

The employees and/or consultants of the company must use the assets of the company in exclusive accordance with the development of the work activities.

It is forbidden to accept, for oneself or others, referrals, special considerations, gifts or other benefits by subjects with whom one collaborates; one must also avoid receiving benefits that may hinder the impartiality of judgment.

The decisions taken by each employee and the Management must follow the principles of sound and prudent management, and acknowledge their contribution towards the achievement of company's goals.

In order to avoid abuses of professional position, or abuses of the powers conferred to perform, omit or delay official acts or, in general, acts which go against official duties, particular attention shall be paid to activities carried out by employees in the role of Public Officer or Civil Servant.

5. EXTERNAL RELATIONS

It is compulsory for all LTE Italia's employees to provide third parties adequate information on:

- the commitments and obligations included in the Code;
- the required obligations directly affecting the activities of third parties;
- the appropriate action taken in the event of non-compliance by third parties.

Therefore, besides the mandatory applicable rules, the contracts by LTE Italia must include the contractual partner's adherence to the principles of the Code.

Violation of the principles of the Code by third parties (suppliers, business partners, auditors, consultants and other third parties in business relations) will constitute **breach of contractual obligations**. The relevant laws are applicable regarding the right of LTE Italia to obtain full compensation for the damages it has suffered and is suffering due to such breach, and regarding the right to terminate the contract due to fact and fault of the defaulting party.

In particular, with regards to this Code for Public Administration, Public Offices are defined as Offices that offer public service, natural or legal persons acting in their capacity as public officials, public servants, a member of an Organ of the European Community, an official of the European Communities or an official of a foreign State, the judiciary, the public supervisory authorities, etc.

With regards to the relations with the PA, particular care must be taken in eschewing acts that violate the legal requirements and this Code. In particular, it is strictly forbidden to:

- mislead someone by using ploys or scams in order to achieve an unfair profit to the detriment of the State, of other public office or the European Union. In particular, compliance with the law and proper commercial practice is recommended with regards to tenders, negotiations, concessions, licences, etc. and funding applications, funds, grants and payments from the State or other entity belonging to the Public Administration;

- use or submit false declarations or documents i.e. omit due information to obtain funds, financing, subsidised loans or other payments of the same type granted or funded by the state, by other public offices or the European Union;
- Misallocate funds obtained by the state, other public office or the European Union to encourage initiatives aimed at the realisation of works or activities of public interest;
- altering the functioning of an informatic or telematic system by manipulating the data or programmes therein contained for the purpose of obtaining unfair profit and harming the State or other public office;
- accept money or other benefits from a public official or public service representative in return for unruly services. Those who receive such requests must suspend all relations with the abovementioned and submit a written report to the Supervisory Board;
- offer or promise, even indirectly, money or other benefits to omit or delay acts or to perform acts contrary to the duties of the public official or public service (under art. 357 c.p. a public official is someone who exercises a public legislative, judicial or administrative function; under art. 358 c.p. it is in charge of public service someone who, in any capacity, provides a public service).

Relationships with customers and suppliers must be conducted by qualified staff with fairness, transparency and impartiality.

The selection of suppliers must be made exclusively on the basis of objective parameters such as convenience, quality and efficiency, in order to protect the assets of LTE ITALIA.

Relationships with contributors must be conducted with professionalism, competence, correctness, confidentiality and courtesy.

The conduct adopted towards contributors must be characterised by:

- compliance with Privacy legislation;
- compliance with the provisions on anti-money laundering, anti-usury and transparency;
- independence from any form of internal or external conditioning.

In any case, no actions must be undertaken aimed at obtaining or disclosing undue information on the contributors' profiles.

During business negotiations or commercial relationships with both the PA and customers and suppliers, general criteria of correctness, transparency and integrity must be applied. In particular, one must not:

- examine or propose or promise employment and/or commercial opportunities that may benefit on a personal basis PA employees or customers/suppliers;
- offer in any way gifts, presents, benefits, including indirect ones, goods, services or favours which are undue or go beyond ordinary courtesy;
- solicit or obtain confidential information that could compromise the integrity or reputation of both parties as well as bring significant direct or indirect benefits for themselves or for LTE ITALIA;
- undertake actions aimed at improperly influencing the decisions of the counterpart.

Furthermore, employees or collaborators in any capacity of LTE ITALIA must not accept any good or service, gift, benefit, provision or donation that goes beyond ordinary courtesy relations, from external or internal subjects and in particular in relation to the initiation of actions or behaviours aimed at favouring the same subjects.

Employees who receive gifts or preferential treatment from officials of the PA, Customers or Suppliers that go beyond ordinary courtesy relations must immediately inform their line manager or the Supervisory Board.

6. SAFEGUARD AND USE OF COMPANY ASSETS

All employees and collaborators must remember that the tangible and intangible company assets made available to them by LTE ITALIA are to be used:

- with the utmost care and appropriately, so to avoid damaging things or people;
- avoiding, as far as possible, waste, manipulation or utilisations that could compromise its state of efficiency or accelerate its normal deterioration;
- exclusively for purposes related and instrumental to the exercise of work activities;
- avoiding at any cost – unless indicated by specific regulations – the use or transfer of the goods by/to third parties, even temporarily.

All employees and collaborators are responsible for the use and custody of the goods granted to them by LTE ITALIA.

The IT equipment and applications must also be used in compliance with the above and in particular:

- strictly following company security and confidentiality policies;
- avoiding at any cost the acquisition, use or transmission of information and content, particularly massive ones, not related to work activities;
- not altering the hardware and software configurations provided by LTE ITALIA.

In compliance with current legal regulations, LTE ITALIA carries out routine check-ups and implements measures aimed at preventing conducts not in line with what mentioned above.

All employees must work to reduce the risk of theft, damage or other external threats to the resources assigned or located in the Company, promptly informing the relevant offices in the event of anomalous situations.

7. CONFLICT OF INTEREST

The relationship between LTE ITALIA and its directors and employees is based on full trust. Consequently, it is the primary duty of both directors and employees to use the company's assets and their work skills to pursue the corporate interests in compliance with the principles established in the Code, i.e the values by which LTE ITALIA is inspired.

In this perspective, LTE ITALIA's administrators, employees and collaborators in various capacities must avoid any situation and abstain from any activity which could place a personal interest – direct or indirect – against the company's, or that could interfere and hinder the ability to take impartial and objective decisions in the interests of the company.

The occurrence of situations of conflict of interest, in addition to being in conflict with the law and the principles established in the Code of Ethics, is detrimental to the company's image and integrity.

The recipients indicated above must not take advantage of their position: in the light of this, any possibility of mixing economic activities responding to a logic of personal and/or family interest with the role they have in the Company, must be excluded *a priori*.

All situations of conflict, albeit potential, must be promptly and thoroughly communicated to the Company – specifically to the line manager and, if necessary, to the Supervisory Board as per Legislative Decree 231/01 –. The person in potential conflict must refrain from carrying out or participating in acts that could cause harm to the Company or third parties or compromise their image.

8. USE AND DISSEMINATION OF INFORMATION

LTE ITALIA considers the dissemination of correct, complete and truthful information on all corporate events - and the preservation of due confidentiality, if necessary – a prerequisite for creating and maintaining a relationship based on transparency and trust with its stakeholders and the market.

Consequently, in managing information, the employees must:

- save all company information acquired in the performance of their duties scrupulously and with the utmost confidentiality;
- ask for consent to process personal data for relevant purposes.

In relation to general information, employees must:

- avoid improper or instrumental use of confidential information in their possession; not use them for their own advantage and/or that of their family members, acquaintances and third parties in general;
- protect them from access by unauthorized third parties, prevent their dissemination unless specifically authorized by the Manager;
- not to seek, or try to obtain from others, information that do not pertain to one's area of competence or tasks;
- classify and organise them so that it is possible for authorised parties to access them easily and draw a full picture;

For not officially authorised Employees it is forbidden, in the forms and terms set out in Legislative Decree no. 196 of 2003, whose object is the protection of people and personal data, to know, record, process and disseminate personal data of other employees or third parties.

9. TRANSPARENCY OF THE ACCOUNTING SYSTEM

All official documents aimed at illustrating the company's management must be drawn up with the utmost care in order to guarantee accuracy and truthfulness. They must be drawn up in compliance with current laws and regulations.

LTE ITALIA's staff must be very careful in drafting the aforementioned documents, and keep a conduct based on the principles of correctness, honesty and integrity which must inform the execution of relevant professional activities.

In any case, the preservation/production of deliberately false or manipulated documentation which significantly alters the truthful representation of LTE ITALIA's status will not be justified or justifiable.

Every operation, action and transaction of the company must be adequately recorded and documented in order to allow the verification of decision-making, authorisation and execution processes.

Every act or operation carried out by the staff must be supported by adequate, clear and complete documentation to be recorded, so as to allow, at any time, the monitoring of motivations, the characteristics of operations and the identification of the subjects who carried out the operation, granted the authorisations and carried out the verifications.

All corporate sectors are required to provide maximum collaboration in order to guarantee correct and timely accounting records. Accounting records based on economic and financial assessments must comply with the criteria of plausibility and prudence.

Adequate documentation must be recorded for each accounting entry. This documentation must allow to identify the operation that generated the detection and the related authorisation. Supporting documentation must be archived and easily accessible.

Anyone who becomes aware of possible omissions, falsification or irregularities in the accounting system must immediately notify their line manager or alternatively the Supervisory Board.

10. HEALTH AND SAFETY PROTECTION

LTE ITALIA, aware of the importance of guaranteeing the best health and safety conditions in the workplace, is committed to promoting and disseminating responsible conduct among its employees, implementing the necessary preventive actions, in order to preserve health, safety and security of all staff as well as third parties visiting its premises.

The culture of health and safety is disseminated in a systematic way, through training and communication activities, and is achieved through regular updating of methodologies and systems, using the best technologies available, carrying out an analytical assessment of risks, critical aspects of processes and protected resources.

Company representatives who hold sensitive roles for health and safety purposes undertake to comply with the rules and obligations deriving from their role, in terms of prevention and protection; however, they must aim at achieving levels of excellence that go beyond mere compliance, in full awareness of the value represented by the protection of health, safety and well-being of the person.

To this end, LTE Italia, after an adequate risk assessment, adopts the most appropriate measures in order to avoid the risks associated with the completion of its activities or to minimise them.

In carrying out its activity, LTE Italia undertakes to shape work-related issues after the needs of the individual, including all issues pertaining the design of workplaces and the choice of work equipment and work methods.

In terms of health and safety at work, LTE Italia is also committed to:

- a) take into account the state-of-the-art of technique;
- b) replace what is dangerous with what is not dangerous or less dangerous;
- c) adequately plan prevention in order to create a coherent complex which considers and integrates the technique, the organisation of work, the working conditions, social relationships and the influence of working environment factors;
- d) give adequate instructions to the Staff.

On the basis of these principles, LTE Italia adopts the necessary measures to protect the safety and health of workers, including the following activities: (i) information for all workers on the risks associated with the work activity ii) regular training based on the activities carried out by each per-

son, (iii) prevention of professional risks iv) setting up an organisation and the necessary means. Furthermore, the Company promotes the conduct of its activities by focusing on the correct use of resources and respect for the environment.

The Recipients comply with these principles, in particular when making specific choices and taking specific decisions and, subsequently, when the same must be implemented.

11. NOTIFICATION REQUIREMENTS

If a Recipient becomes aware of acts, potentially illegal or contrary to the principles expressed in this Code, which directly or indirectly benefit LTE ITALIA or are committed in its interest, they must immediately inform the Supervisory Board, or their delegate, by submitting a written report, even electronically, without the obligation to observe the pre-established line of management. Failure to comply with the duty to inform may be sanctioned.

The reports received are quickly examined and processed by the Supervisory Board in accordance with the provisions of the Model.

Possible sanctions are issued and imposed based on the disciplinary system envisaged by the Organisational Model.

Relationships between Employees, at all levels, must be based on criteria and conduct of correctness, loyalty and mutual respect. Therefore, the abuse of duty of information regulated by this chapter for the purpose of retaliation or merely emulation may be sanctioned.

12. SANCTIONS SYSTEM

The Foreword to this Code clearly advocates for precise and punctual compliance with all legal provisions by each employee carrying out their work activities.

Failure to comply with these provisions leads to the application of the sanctioning procedures provided by the regulations or by ad hoc laws.

Respect for the Code, however, must arise from the employees' sharing of the fundamental values set out by LTE ITALIA, rather than from an obligation imposed by it.

This does not, however, exclude the right/duty of LTE ITALIA to monitor compliance with the Code, and to implement prevention and control actions deemed necessary or appropriate for the aforementioned purpose.

Violation of the provisions of the Code constitutes failure to fulfil the primary obligations of business relationship or a disciplinary offense, and has legal consequences, even with regards to the preservation of a business or collaboration relationship.

Therefore, in the event of confirmed violations, LTE ITALIA will intervene and apply the measures indicated in the sanction system.

These measures, proportionate to the seriousness of the infringements committed, are applied in compliance with the procedure established for this purpose, provided that the infringements from

which they derive do not constitute violations not only of the provisions of the Code, but also of contractual and legal provisions.

In this case, the sanctions provided by the relevant legislation apply.

13. INTERGROUP RELATIONSHIPS

LTE ITALIA is part of the LTE Group. The circulation of information within the LT Group, even for the purpose of drafting financial statements and other communications, must take place in accordance with the principles of truthfulness, loyalty, correctness, completeness, clarity, transparency, congruity, while preserving the autonomy of each company and specific areas of activity.

Any existing contractual relationships between LTE Italia and LTE Group must be duly formalised and carried out in compliance with the principles of correctness, effectiveness and protection of respective interests, paying particular attention to aspects concerning to the circulation of economic assets.