

NAR S.P.A.

CODE OF ETHICS

Approved by the Board of Directors of 5th November 2009

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PREFACE

NAR S.p.A. (hereinafter called the “**Company**”) operates in five productive plants covering self-adhesive tapes for packaging, for masking, special tapes for technical and industrial usages, bi-oriented polypropylene films and saturated paper for self-adhesive tapes.

The Company is one of the leading firms worldwide in the self-adhesive tapes sector for the comprehensive range of products and volumes.

NAR S.p.A. represents an international reality that works in full respect of the ethical principles of correctitude, loyalty and transparency, in a wide range of institutional, economic, political, social and cultural backgrounds, evolving rapidly and continuously.

All Company’s activities shall be conducted in compliance with the law in force, in a frame of fair competition, honesty, correctitude, integrity and good faith, observing the customers’ legitimate interests, those of the staff, of the commercial and financial partners and of the community where the Company performs its own activity.

All those working in and for the Company without distinction or exception, are bound to abide by and enforce such principles within their function and responsibility. In no way shall the conviction to act to the advantage and interest of the Company justify behaviours in contrast with these principles.

For the complexity of the situation in which the Company stands and operates, it is important to clearly define the whole values that the Company acknowledges, accepts and shares and all the responsibilities that it assumes in house and outside. For this reason, the present Code of Ethics (hereinafter called the “**Code**”) has been pre-arranged to include a series of principles and rules whose observance by the Receivers is fundamental for the good running, reliability and reputation of the Company.

The Code of Ethics preset according to the Legislative Decree 231/2001 also (hereinafter called the “**Decree**”) forms an integral part of the Model of Organisation and Management of the Company (hereinafter called “**Model**”) and proposes that the operations, behaviour and relationship inside and outside the Company follow the essential values reported below:

- **legality, honesty and correctitude:** the Company operates in the respect of the laws in force, the regulations, the internal rules and procedures and the present Code. In no way shall the pursuit of the Company’s interest justify a behaviour contrary to the principles of correctitude and legality. The Company shall exert all efforts within its organisation for the circulation and knowledge of the rules, the Code and the procedures, to prevent their violation.
- **integrity:** in the relations with the Receivers and with third parties in general, the Company undertakes to act correctly and in a transparent way, to avoid misleading information and behaviours to get undue advantage from third parties disadvantaged positions.

- **loyalty and good faith:** the relations with the Receivers and third parties in general shall be marked by good faith and reliability, therefore keeping up the agreements and the promises, optimising the value of the corporate assets and pursuing good faith behaviour in every decision.
- **Relations with the public authorities:** the relations with the public authorities and Public Administration (P.A.) shall be marked by the utmost correctitude, transparency, good faith and cooperation, in full observance of the rules.
- **transparency:** the information spread by the Company shall be complete transparent, understandable, accurate and comply with the principles of equality and contemporaneousness access to such information from the public;
- **impartiality:** in the relations with the holders of interest and third parties in general, the Company shall avoid any kind of discrimination, particularly on the basis of age, sex, health status, race, nationality, politic opinions, religious beliefs, social and personal conditions;
- **people respect and equal opportunities:** the Company shall respect people fundamental rights and guarantee equal opportunities to all of them.;
- **professional competence and optimisation of human resources:** the Company shall acknowledge the central position of human resources and protect and promote their value, in order to improve and increase the assets and competitiveness of each Receivers skills, following a policy based on the recognition of merits and equal opportunities and envisaging specific programmes for the professional updating and acquisition of major expertise;
- **secrecy:** the Company shall guarantee the confidential nature of the information it has and abstain from gathering and using sensitive data, except in case of explicit and conscious authorisation of the data holder and anyway in accordance with the laws in force;
- **conflict of interest:** in carrying out its own activity, the Company shall do its best to avoid running into conflict of interest situations. Each business decision taken by the Receivers shall be in the Company's interest;
- **health protection and work conditions safety:** the Receivers' physical and moral integrity is considered a primary value of the Company. Safety, hygiene and health in the workplace shall be safeguarded and health, physical integrity and workers' rights along with the compliance with the rules in force on these matters are deemed priority and essential in conducting the business
- **community and company:** the Company shall contribute to the economic welfare and growth of the community where it operates, giving particular attention to the most significant social topics and assuming responsibility in the social framework also, giving its contribution in different sectors;

- **environment:** the Company shall promote the respect and protection of the environment, devoting itself actively to ensure strict observance of the environmental regulations in force, in the course of its business activity.

NAR S.p.A. Board of Directors coming into line with the most advanced standards of corporate governance, shall adopt the Code to ratify the aforesaid ethical principles.

The Company shall ensure that the Code of Ethics is carefully observed, arranging for suitable information means, precautionary measures and control and ensuring transparency of the existing operations and behaviours, intervening, if necessary, with corrective actions and suited sanctions.

The Company shall ensure a large spreading of the Code of Ethics to all receivers and to the public in general, even through enclosure of an abstract on both Intranet and Internet Company sites (www.nar-spa.com).

1 GENERAL PRINCIPLES

1.1 APPLICATION, SCOPE AND CODE RECEIVERS

The Code is therefore binding for the behaviour of all Receivers, as defined here below.

They are called “**Receivers**” all subjects to whom the rules of the present Code of Ethics apply and precisely:

- a) the administrators and components of the Company social bodies,
- b) the general managers as well as any other subject in an apical position, that is any person who holds representative, administrative and managerial functions or carries on in fact too, the conduct and control of the business or that of its unit or division (called the “**Company Exponents**”);
- c) all the Company’s employees, including time contract or part time contract labourers and labourers assimilated thereto (called “**Staff**”);
- d) all those who directly or indirectly, steadily or temporarily, may establish the same relations with the Company or anyway work to pursue its objectives, in all the countries where the Company operates (called “**Collaborators**”);
- e) all those who, steadily or temporarily shall give under any form, goods and /or services to the Company (called “**Suppliers**”).

The Code of Ethics is at the disposal of all Receivers who are bound to abide by its regulations both in their mutual relations (*i.e.* internal relations) and with third parties (*i.e.* outside relations), to contribute actively in its application and to point out any possible lack in the relevant function of reference.

All actions, operations and negotiations carried out and, as a rule, the Staff’s behaviour and generally speaking the Receivers’ behaviour in performing their work or service for the Company, shall therefore be prompted by the utmost correctitude from the management point of view, by the completeness and transparency of the information, by the legitimacy under the formal and substantial aspects and by the clearness and truth of the accounts audit, under the laws in force and internal procedure.

Particularly, it falls within the Company Exponents’ competence to put into practice the values and principles contained in the Code, taking upon themselves the responsibility internally and externally and strengthening trust, cohesion and team work spirit.

The members of the Board of Directors in establishing the objectives and strategies of the enterprise, in proposing investments, in achieving projects and in taking decisions or actions relating to the Company’s management shall be guided by the principles contained in the Code.

The Company’s Staff shall conform their own actions and behaviours to the principles, objectives and commitments provided for by the Code, according to the laws and regulations in force.

Should any employee be aware of situations that may actually or possibly represent a violation of the Code of Ethics, he shall promptly communicate it to the direct person in charge of the function and/or service, and/or to the Code Controller, as provided for in the subsequent point 1.6 and in line with the Code contents.

Each employee shall give professional contribution, adequate to the assigned responsibilities.

1.2 NAR COMMITMENTS

The Company shall ensure, by the designation of specific internal functions:

- the extensive spreading of the Code within the Company and its actual application by including in the respective contracts also, special clauses that set also the obligation to observe the instructions contained therein.
- the updating of the Code so as to adapt it to the evolution of the civil sensitivity, to the company contest and relating regulations, to the execution of verifications on each news of violation of the Code rules;
- the evaluation of facts and consequent implementation of adequate sanctions, in case of ascertained violations;
- that nobody shall be subject to retaliations of any nature for having supplied news of possible violations of the Code or relevant regulations.

1.3 STAFF OBLIGATIONS

Each employee is enabled to know the instructions contained in the Code and relevant regulations that rule the activity performed within his function. The Company's Staff has the obligation to:

- abstain from behaving contrary to such rules;
- apply to his senior manager and/or to the Code Controller in case of need or clearing up on their mode of application;
- report timely to his senior manager and/or to the Code Controller about any news received directly or through others, regarding their possible violation as well as any request of violation addressed to him.

1.4 DUTIES OF THE MANAGERS IN CHARGE OF THE UNITS AND BUSINESS FUNCTIONS

Each **Manager in charge of a Unit or a Business function** (that is each subject who practices, in fact too, the management and /or control of a unit or company division) has the obligation to:

- uniform his own conduct to the principles provided for in the present Code and require its respect by the Staff and Collaborators. For the successful execution of the present Code, each person in charge shall supervise the Staff and Collaborators under his management, coordination and control and shall adopt the necessary measures to prevent violation of said Code;
- operate in a way so that the Staff and Collaborators understand that the observance of the Code regulations as well as the procedures and security rules constitute an essential part of the work quality performance and that the relating violation may represent a contractual breach and/or an illicit disciplinary measure, in accordance with the rules in force;

- select accurately, within his competence, internal and external collaborators to prevent that duties are given to people not fully reliable in their work and respectful of the Code instructions and procedures;
- adopt corrective and immediate measures when required by the situation, as well as execute and promote adequate measures to avoid the recurrence of violations;
- refer timely to the Code Controller his own findings and potential news reported to him by his collaborators regarding possible or current violations of the Code from any Staff member or Collaborator.

1.5 SIGNIFICANCE OF THE CODE TO THIRD PARTIES

All Code Receivers within their competence, in their relations with the outside subjects shall:

- properly inform them about the commitments and obligations imposed by the Code;
- require the respect of the obligations concerning directly their business;
- adopt the suitable internal initiatives and if this falls within their competence, external ones, in case of third parties non-fulfilment of the duty to conform to the Code regulations.

1.6 REFERENCE BODIES FOR THE CODE APPLICATION

The Reference Bodies for the application of the Code are:

- The **Code Controller**, singled out in the Surveillance Structure of the Company under the pertinent decree, who shall have the duty to check the news about possible infringements and to promote the most opportune investigations and verifications, making use of the relevant structures of the Company. Consequently, he shall evaluate and communicate to the competent company structures, the nature and gravity of the violation and inform the Human Resources Management of the results of the verifications and the corrective actions to take. The Code Controller is also the point of reference for the interpretation of the significant aspects of the Code;

and

- The **Manager of Human Resources** of the Company, who shall have the duty to bring to the Staff the knowledge of the Code and assume, in coordination with the Code Controller, the suitable sanctions measures in case of Code violation.

1.7 CODE CONTRACTUAL VALUE

The Code constitutes an integral part of the work relationship.

The observance of the Code regulations shall be considered an essential part of the Company Staff duties, in accordance with and for the legal purposes of Article 2104 of the Civil Code.

The infringement of the Code regulations shall constitute a breach of the primary obligations of the work relations or an illicit disciplinary measure, with corresponding legal consequences, even in keeping the work relations and shall involve actions for the compensation of damages resulting from such infringement.

For the Receivers who are not Company's Staff, the observance of the Code constitutes a precondition for the prosecution of the professional or collaboration relationship existing with the Company.

2 CONDUCT IN BUSINESS MANAGEMENT

2.1 CONDUCT OF THE BUSINESS IN GENERAL

In its business relations the Company shall be guided by the principles of loyalty, correctitude, transparency, efficiency and opening up to the market.

The Receivers who act for and on behalf of the Company shall also be bound to an ethical and respectful conduct of the laws in their business relations with the Company and in those with the Public Administration, which shall be marked by the utmost transparency, clearness, correctitude and efficiency.

In their commercial or promotional relations, the Receivers shall also be bound to a behaviour lined up with the Company's policy that shall never lead to acts contrary to the laws and regulations in force or to the Company's procedures adopted with reference to single functions, even if finalized to the pursue of social scope.

2.2 GIFTS AND OTHER BENEFITS

In the relations with customers, suppliers and third parties in general, offers or grants of money direct or indirect, gifts or benefits of any nature in a personal capacity tending to obtain undue advantages, real or apparent of any nature (such as promises of economic advantages, favours, recommendations, promises of work offers etc.) or anyhow, with a view to obtain or reserve favourable treatments in the conduct of any collective activity in the Company are not allowed.

In any case, commercial courtesy acts are allowed, provided they are of modest value and made in observance of the directives potentially applicable, in a way not to compromise the integrity and reputation, without influencing the Receiver's free judgement.

The Receiver who gets gifts beyond normal limit of courtesy relations and of a certain value, shall refuse them and immediately inform his superior and /or the Code Controller.

2.3 CONFLICT OF INTEREST

The Receivers shall avoid situations and activities that may lead to conflicts of interest with the Company ones or could interfere in their impartial decision-making capacity, to safeguard the Company's best interests.

Just by mere explanatory and not exhaustive way, there is a conflict of interest in case of:

- interest by the Receiver (evident or concealed, direct or indirect) in suppliers, customers, competitors' activities and anyway, with external subjects who try to enter into business with the Company;
- exploitation of his own functional position for the pursuit of interests which are in contrast with the Company's ones;
- use of acquired information in carrying out work at his own advantage or third parties' one and anyway in contrast with the Company's interests;

- assumption of social offices or carrying out work activities of any kind, even indirectly with customers, suppliers, competitors and third parties in general in contrast with the Company's interests.

- purchase or sale of shares (Company's or external ones) when, in connection with his own work, he has knowledge of significant information not of public dominion yet. In any case the negotiation of Company's shares from important people shall always be made in full transparency and correctitude, respecting the market information requisites provided by the law;

- assumption of mediators' office, business agents' office or other intermediary for third party's account, in operations regarding the Company and its interests.

Should a situation of conflict with the Company's interest, even potential, originate from the Receiver, he shall immediately communicate it to the senior manager and in case of conflict of greater significance, advise the Code Controller and refrain from any activity in connection with the situation, object of the conflict.

In the relations between the Company and third parties, the Receivers shall act according to ethical and legal rules, with explicit prohibition to resort to illegitimate favouritism, collusive and corruption practices or solicitations for personal advantages or for others advantages.

It is compulsory to refer promptly to the senior manager and in case of major importance, to the Code Controller, any information that may show or predict a situation of potential conflict of interest with the Company.

The discipline of the social bodies members regarding conflict of interest is safe according to law.

The Receivers shall also prevent situations and/or activities in contrast with the discipline contained in the Decree and in similar rules potentially applicable.

2.4 SELECTION AND CONTRACTUAL RELATIONS WITH THE SUPPLIERS

The Suppliers' selection and the formulation of the Company's conditions regarding the purchase of goods and services are prompted by the respect of competition values, impartiality, correctness, fairness in pricing, quality of goods and services, evaluating accurately the assistance guarantee and the situation of the offers in general.

The purchasing process shall be marked by the search for the utmost competitive advantage to the Company and by the loyalty and impartiality towards each Supplier having the requested requisites. Moreover, the Suppliers shall be diligent in pursuing the collaboration with the Company to constantly ensure that the customers' requirements in terms of quality and delivery time are met.

The drawing up of a contract with a Supplier shall always be based on the utmost clearness, avoiding where possible the assumption of contractual obligations that involve a sort of dependence towards the contracting Supplier. Every contract shall contain a special clause where the Supplier is committed to observe punctually and fully the principles of the present Code, or else the Company shall have the faculty to rescind the business relations and proceed with the compensation of possible damages.

Moreover, in order to ensure people's respect, the Company, in choosing the Suppliers (particularly in the Countries called "at risk" by recognized organisations) shall be guided by standards that guarantee to the labourers the respect of fundamental rights, the principles of equality and non discrimination treatment, as well as the juvenile labour protection.

2.5 PROTECTION OF PERSONAL DATA

In carrying out its own activity the Company undertakes to protect the personal data under the pertinent rules and particularly in compliance with the following criteria: transparency towards subjects to whom the data refer, lawfulness, correctness and relevance in the treatment to the purposes declared and pursued and guarantee of the data safety.

"Personal data " means any information relating to a physical or juridical person, body or association, identified or identifiable, even indirectly, by reference to any other information including a identifying personal number.

2.6 CORRECT USE OF COMPANY'S ASSETS

2.6.1 DILIGENCE

Each Receiver is responsible for the protection and proper use of the Company's assets, material or not, including confidential information, computer and web resources and has the duty to timely inform the preset structures of any possible threats or harmful events to the Company. In particular, the Receiver shall:

- operate diligently to protect the Company's assets, through responsible conduct in line with the operating procedures preset for regulating their use;
- avoid improper use of the business assets for purposes contrary to law, to the public order, to the good custom, besides committing or leading to commit offences and/or racial intolerance, violence exaltation or human rights violations;
- obtain the necessary authorizations in case of use of assets outside the Company's scope.

The use of the business assets for any scope outside the Company's activity can cause serious damages to the Company (economic, corporate image and competitiveness etc.), with the aggravating factor that an improper use may involve potential penal and administrative sanctions for possible breaches of the law and the necessity to take disciplinary measures towards the Receivers.

2.6.2 ELECTRONIC INFORMATION

The increasing dependence of the computer technology involves the assurance of the availability, safety, integrity and maximum efficiency of the Company's data transmitted or memorized electronically.

Each Receiver is therefore obliged:

- not to use computer instruments for personal purposes and anyway unrelated to strictly business ones;

- not to send e-mail messages minatory and insulting, nor make use of indecent or low profile language, nor inappropriate comments that could offend people and/or damage the corporate image and constitute a violation of the Company's values and policy, such as sexual and racial molestations and other kind of discrimination;
- to avoid spamming or the so called "Saint Antony chain" that can generate traffic of data / information/ processes inside the company computer in such a way to reduce sensibly the efficiency of the network with negative impact on productivity;
- not to surf the internet sites, carrying indecorous and offensive contents nor, all the more so, pornographic ones otherwise unacceptable or contrary to the rules and to common ethics;
- to adopt scrupulously what is provided for by the policy of business safety, in order not to compromise the functionality and protection of the computer systems;
- to avoid loading on the company systems software borrowed and not authorized and make unauthorized copies of programmes under licence for personal, business and third parties use.

2.6.3 TRACEABILITY AND DOCUMENTATION INTEGRITY

In line with the Company's procedures, each Receiver shall keep adequate documentation of each operation carried out, to be in a position to check at any time the reasons and characteristics of the operation itself in the authorisation, processing, registration and control phases.

All financial reports, accounting statements, relations on the research progress, sales reports, attendance paper and any other document related to the Company's activities and organisation shall reflect accurately and clearly the significant facts and the real nature of each operation.

Each document in any form and contents incorrect, incomplete or untruthful is contrary to the Company's policy and will therefore be considered unacceptable.

2.6.4 TRIPS AND ENTERTAINMENTS

Trips and entertainments shall be compatible with the work requirements. It is the Company's intention to see that the Staff and generally the Receivers, do not get unjustified and illegitimate advantages neither sustain any damage or economic loss subsequent to business trips or business entertainments. They are therefore bound to use the Company's money and deal with it as carefully as they will do with their own money.

When an expenditure bill is presented, the reasonable, effective and authorised charges will be reimbursed according to the regulations included in the specific Company's procedures. It is necessary to always ask for the receipts and make a selection between the personal expenses and the business ones.

2.6.5 CONFIDENTIAL INFORMATION

The documents and Company's confidential information (including projects, proposals, strategies, dealings, undertakings, commitments, agreements, contracts in finalisation phase, products not launched on the market yet, research results, financial projections and customers lists), with particular reference to price sensitive information (that is information and documents not of suited public dominion, if rendered public may influence considerably the price of the financial instruments possibly issued or have an impact on the Company's activity) these may be disclosed or communicated outside, provided they are compliant with the Company's procedures.

The confidential information obtained as Receiver shall not be used to the personal benefit of the Staff or the Receivers or any other subject associated or connected with them. The use of such information for personal purpose comprises making profit of same (a) by operating or supplying information to others to operate in the Stock Exchange on stocks possibly issued by the Company or (b) acquiring some interests.

3 OUTSIDE RELATIONS

3.1 SHAREHOLDERS

NAR S.p.A. shall adopt a system of corporate governance in conformity with the laws and prescribed regulations but also in line with the self-discipline codes and the best practices, national and international.

The Company shall maintain a constant dialogue with its shareholders, particularly in observance of the laws and regulations that provide for equal access right to social information for every investor or potential one.

With this perspective NAR S.p.A. shall protect and make the Company's and shareholders' interests prevail over the particular interest of a single shareholder or group of them.

3.2 PARTIES, TRADE-UNION ORGANISATIONS AND ASSOCIATIONS

The relations with political parties, trade-union organisations and other associations bearer of interest shall be held by the authorised Company Exponents or the people deputed by them, according to the present Code regulations as well as the social statute and the special laws, with particular regard to impartiality and independence principles.

The Company shall not disburse direct or indirect contributions to Political Parties neither to their representatives or candidates and refrain from any direct or indirect pressure to political exponents (for example through acceptance of communications for assumption, consultancy contracts etc.)

Each employee shall recognize that any form of involvement in political activities shall be on personal basis, in his own free time, at his own expenses and in conformity with the laws in force.

Besides, the Company shall not disburse contributions to organisations with which there may be a conflict of interest (such a trade-unions, associations for the consumers or environmental protection).

Forms of cooperation strictly institutional are possible when: (i) the aim is referable to the Company's mission or to projects of public interest; (ii) the use of the resources is clear and verifiable; (iii) there is an express authorisation from the company controlling functions.

3.3 PUBLIC ADMINISTRATION

In its relations with the Public Administration, the Company shall observe the following principles:

- adapt its own conduct to the utmost transparency, clearness, correctitude and impartiality, not to induce any public institutional party with whom it has various business relations, in partial, false, ambiguous, misleading interpretations;
- prohibit disbursing any direct or indirect contributions of any kind and using funds and financing in support of public people, unless admitted and provided for by the laws and regulations in force;

- the relations with the Public Administration both Italian and foreign, for negotiations or other contacts of instrumental nature to the Company's activity, shall be dealt with solely by who is formally appointed for this task;
- condemn any Receiver's behaviour, based on promising or offering directly or indirectly money or other benefits to Public Officials and/or employees of Italian or Foreign Public Service with a view to obtain an interest or advantage to the Company;
- prohibit the promise and/or offer of any object, valuable service to get a more favourable treatment in connection with relations established with the Public Administration whether Italian or foreign;
- prohibit the promise and/or offer of any object, valuable service, inducing Public Officials/ Public Service employees, whether Italian or foreign to use their influence on other subjects belonging to the Italian or Foreign Public Administration;
- prohibit the offer of any object, valuable service in favour of Public Officials/ Public Service employees, Italian or foreign, and their relatives within the second degree, directly or through a third party, unless it is a present or any other benefit of modest value and, in any case within legitimate usages and customs;
- prohibit the establishment of business relations with employees of the Public Administration or the employment of ex employees of the Public Administration, whether Italians or foreigners, or their relatives within the second degree who participate or have participated personally and actively in business negotiations or endorsed requests made by the Company to the Italian or Foreign Public Administration;
- prohibit the use of contributions, subsidies or financing even of modest value, obtained from the State or other public bodies or from the European Community, for other purposes than those for which they have been granted;
- condemn any behaviour with the purpose to get from the State, the European Community or other public bodies, any type of contribution, financing, subsidised loan or other disbursement by declaration and/or changed or falsified documents, or through omitted information or generally by means of stratagems or frauds, including those made by computer system, inducing in error the supplying body.

3.4 OTHER AUTHORITIES AND INSTITUTIONS

In its institutional relations NAR S.p.A. undertakes to:

- establish stable communication channels with all institutional interlocutors on internal, state and community levels, without any discrimination whatsoever;
- represent the interests and position of the Company in a transparent, strict, consistent, correct way, avoiding therefore attitudes of collusive nature.

- be guided by the strict observance of the national and international regulations and by the Company's procedures;
- interface with institutional interlocutors exclusively through people expressly delegated by the Company's leaders and who are not in a conflict of interest situation.

In running the business, the Company shall operate in a lawful and correct way, collaborating with the Judicial Authority, the Police and any Public Official and/or person in charge of public service having inspection power and conducting inspections towards it;

No Receiver belonging to the Company shall undertake economic activities, assign professional tasks, give or promise gifts, money or other advantages to who carries out verifications and inspections, or to bodies of Judicial Authority.

The Receivers who shall be subject even personally to facts connected with business relations, to investigations or shall receive summons and/or those to whom other judicial actions are notified, shall advise immediately the Surveillance Body.

3.5 SUPERVISORY AUTHORITY

The Company undertakes to fully and strictly observe the rules imposed by the Supervisory Authority, that is the Bank of Italy, the Consob (National Commission for the companies and stock exchange), ISVAP (Supervisory Institute on private insurances), the COVIP (Supervisory Commission on pension funds), AGCM (Structure for the guarantee of the competition and the market) and by the control bodies and its relations with said institutions shall be marked by the utmost cooperation, full respect of their institutional task, giving diligent execution of their instructions that apply to the Company.

3.6 MASS MEDIA

The communication to the mass media plays an important role in enhancing the Company's image. Therefore, the relations between the Company and the mass media lie only with the Company's functions expressly appointed for this purpose and shall be carried out in consistency with the policy and communication tools set out by the company's bodies and by the laws, rules and professional conduct practice.

The outside information is prompted by truthfulness and transparency guidelines; it is absolutely prohibited to spread false news.

In general, the Company's Staff shall not supply information to mass media representatives nor undertake to supply same without the authorisation of the competent functions.

3.7 CUSTOMERS

The customers' full satisfaction constitutes the Company's primary target, through a reliable and correct behaviour, aiming at ensuring high quality products and service.

The Company shall outline the terms of the contracts and relations with the clientele in a correct, complete and transparent way, according to the laws (also those against money laundering, against usury, regarding the protection of personal data, transparency) and in compliance with the rules, the Code and the internal procedures. Should unexpected events or situations arise, the Company shall likewise fulfil the customers' expectations, executing the contracts equitably, without exploiting potential weakness or ignorance when such unexpected events occur.

The Receivers shall be prohibited to have business relations with customers or potential customers who may be involved or suspected to be involved in illegal activities and shall take into account the capacity of the latter in performing their own payment commitments..

In their relations with the customers, the Receivers shall not offer or accept gifts or other kind of benefits that could be interpreted as a mean of getting favourable treatments in any corporate Company activity, not attributable to normal business or courtesy relations.

TREATMENT OF PREFERENTIAL INFORMATION AND 4 INTERNAL DEALING

According to the regulations in force in Italy, NAR S.p.A. shall adopt a specific procedure that rules the internal administration process of preferential information, in addition to the one relevant to the outside communication of documents and price sensitive information regarding the Company.

Said procedures have the target, among other things, to avoid that the information outside communication could be selective, untimely, incomplete or inadequate and anyway in violation of the subject rules.

Besides, in compliance with the instructions contained in the regulations on market abuses and rigging, the Company shall follow an internal dealing procedure, with the task to control the information obligations relevant to the operations effected on NAR shares and on other financial tools from given "significant" subjects such as administrators, auditors, top managers, main Company shareholders and people closely connected to them.

5 STAFF POLICY

5.1 HUMAN RESOURCES MANAGEMENT

The human resources are an indispensable factor in the business enterprise existence. The dedication and professional competence of the employees are crucial values and conditions to the Company's success.

The Company undertakes to develop the ability and competence of each employee so that the energy and creativity of everyone find its full expression in achieving the Company's objectives.

The Company shall offer to all Employees equal opportunities to professional growth, giving each one the possibility of enjoying a fair treatment based on merit criterion without any discrimination whatsoever. The competent functions shall:

- adopt standards of merit, competence, individual capability and potentiality and anyhow strictly professional for any decision relating to an Employee;
- select, assume, train, pay and look after the Staff without any discrimination whatsoever;
- safeguard the workplace so that the personal characteristics may not give rise to discriminations.

Each Receiver shall collaborate actively to keep an atmosphere of respect of the dignity and reputation of each person.

The Company shall therefore impede any discriminating and prejudicial conduct or attitude towards any person, its convictions and preferences.

Any violation of the regulations of the present article shall be communicated immediately to the Human Resources Management.

5.2 ENVIRONMENT AND SAFETY

The Company undertakes to spread and consolidate a safety knowledge, developing the awareness of risks, promoting responsible conduct of all collaborators and operating to protect the workers' health and safety mostly by preventive actions.

The Company's activities shall be performed in full observance of the regulations in force regarding prevention and protection; the operating function shall refer to advanced standards of environment protection and energy efficiency, pursuing the improvement of health conditions at work. The Company undertakes also to protect the work conditions and the worker's psycho-physical integrity by respecting his moral personality, thereby preventing him to undergo illegitimate conditioning or unjust inconveniences.

Particularly, the fundamental principles and standards according to which decisions of any nature or level shall be taken in health matters and safety at work, shall be determined as follows:

- a) avoid risks;
- b) assess the risks that cannot be prevented;
- c) fight the risks at the original source;
- d) fit work to people, particularly job conception, choice of work equipment, job and production methods, with a view to attenuate monotonous and repetitive work, reducing therefore the relevant effects on health;
- e) take into account the level of technical progress;
- f) replace what is hazardous with what is not or at least is less hazardous;
- g) plan prevention, aiming at a consistent complex that integrates in the same technique, the work organisation and conditions, the social relations and the factors impact in the workplace;
- h) give priority to collective protection measures rather than individual ones;
- i) give adequate instructions to the workers.

The Company shall make use of these principles, taking the necessary measures for the workers' safety and health protection, including preventive actions of professional risks, information and training ones, as well as the preparation of an organisation with appropriate means.

The Company both at apical and operative levels shall stick to these principles, particularly when decisions shall be taken or choices shall be made and subsequently implemented.

5.3 SEXUAL HARASSMENT

The Company shall not allow any sexual harassments intended as such: the subordination of wage or career prospects upon acceptance of sexual favours; the proposals of private interpersonal relations pursued despite an explicit or reasonably clear refusal that can could disturb the Receiver's serenity, in connection with the situation specificity.

5.4 ABUSE OF ALCOHOLIC AND NARCOTIC SUBSTANCES

The Company asks that each Employee contributes personally in maintaining the respect of other colleagues' sensitivity on the workplace and considers the following as illicit conduct: supplying service under the effects of alcoholics or narcotics abuses or other substances having similar effects; make use or give narcotic substances during work performance.

5.5 SMOKE

With the willingness to create healthy and comfortable environment to its Staff and visitors, the Company has envisaged the general ban on smoking in its working premises.

5.6 BAN ON DISCRIMINATION

In running the Company's business, the Employees shall respect the individual dignity, rights and cultural differences. It is the Company's policy not to make discriminations between employees and to observe the principle of equal employment opportunities without distinction of age, sex, race, religion, colour, physical handicap, citizenship, civil status or sexual tendencies. No form of mobbing shall be tolerated.

6 TRANSPARENCY IN BOOK-KEEPING INFORMATION AND INTERNAL CONTROLS

6.1 BOOK-KEEPING TRANSPARENCY

The Company is aware of the importance of truth, transparency, accuracy, completeness and conformity with the regulations in force regarding book-keeping information.

For this purpose, the Company is equipped with administrative and accounting systems suitable to correctly represent the business management facts and to supply the tools to determine, prevent and run as far as possible, the financial and operative risks, as well as frauds detrimental to the Company.

Particularly:

- all activities and actions run and made by the Receivers within his own business activity shall be verifiable;
- book-keeping transparency is based on truth, accuracy, completeness and reliability of the administrative facts documentation and pertinent book-keeping registrations;
- each Receiver is bound to collaborate so that the administrative facts are pictured correctly and timely in the accountancy;
- an adequate documentation supporting the activity carried out is kept on record, to enable a smooth book-keeping registration, pinpointing the different responsibility levels and the accurate reconstitution of each operation;
- each registration shall report exactly what results from the supporting documentation.

The Receivers who may be au courant of omissions, falsifications, alterations, incompleteness or negligence of information and supporting documentation shall be bound to report the facts to their own senior manager or to the Code Controller.

6.2 INTERNAL CONTROL SYSTEM

The Company considers the extensive spreading within its organisation of a conscious knowledge based on the importance of an efficient internal control system, a fundamental element, meant as a process run by the Company's Exponents to facilitate the realisation of the Company's objectives, to prevent risks and ensure the compliance with the applicable laws and regulations, to pre-arrange reliable, accurate and truthful balance sheets and economic-financial data.

Particularly, the Company deems that the internal control system shall favour the achievement of the Company's objectives and therefore be oriented to improve in terms of efficiency and effectiveness the productive and management processes.

All Receivers shall be responsible of the correct functioning of the control system within the functions they perform.

7 ADOPTION, EFFECTIVENESS AND MOTIFICATIONS

The present Code of Ethics has been adopted by means of a resolution of NAR S.p.A. Board of Directors on 5th November 2009, with immediate effect as of said date.

Each update, modification or revision of the Code of Ethics shall be approved by the Board of Directors.

By special resolution taken by the Shareholders' Meeting, the Company shall implement the adoption of the present Code of Ethics and relevant approval, conforming it to the regulations applicable each time.

8 CODE CONTROLLER ADDRESS

The communications and notifications provided for by the present Code of Ethics shall be addressed to:

*N A R S.p.A. Supervisory Body
Via Leonardo da Vinci, 8 – 35020 Legnaro (PD)
e-mail: odv@nar-spa.com
Phone: 049 / 883.02.33
Fax: 049 / 883.81.91*