

CABLES FOR A MOVING WORLD



**TRATOS**  
CODE OF ETHICS

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## ARTICLE 1 - PREMISE

Both internally and externally, the activity of the Tratos Cavi SpA is based on observance of the principles set out in this Code, the cornerstone of the Tratos Cavi SpA's organizational model and system of internal control, in the belief that ethical business conduct is also a condition for a firm's success.

Accordingly, Tratos Cavi SpA has adhered - and encourages all the companies in the Group to adhere - to the United Nations Global Compact on human rights, labour standards, protection of the environment and the fight against corruption; it ensures the complete fulfilment of this institutional undertaking by carrying out initiatives in the environmental and social fields, with special reference to the following matters: a) environmental policies; b) social policies regarding child labour, compulsory labour, health and security, freedom of association and the right to collective bargaining, discrimination, disciplinary procedures, working hours, and wages; and c) relations with suppliers in the Tratos Cavi SpA's purchasing procedures.

As persons to whom this Code is directed, the governing bodies of all Group companies, their managements and all those who work for them, as well as collaborators and third parties in business relationships with the Group, are required to observe this Code within the scope of their respective powers, functions and responsibilities.

## ARTICLE 2 - OBJECTIVES AND VALUES

The primary objective of the companies belonging to the Tratos Cavi SpA is to create value for their shareholders while complying with the principles established in this Code. Business and financial strategies must be oriented to achieving this end, as must the consequent conduct of operations, based in turn on the efficient use of resources.

Group companies

- must be committed, as active and responsible members of the community, to observing and ensuring the observance of the laws in force in the countries in which they operate and the ethical principles commonly accepted according to international standards in the conduct of business: transparency, correctness and fairness;
- must reject and stigmatize recourse to illegal and improper conduct (*vis-a-vis* the community, public authorities, customers, workers, investors, suppliers and competitors) in order to achieve their business objectives, which they must pursue exclusively through the excellence of their products and services in terms of quality and cost-effectiveness, based on experience, customer care and innovation;
- must adopt organizational solutions serving to prevent violations of the law and the principles of transparency, correctness and fairness by their employees and collaborators and take steps to ensure they are applied and complied with in practice;
- must ensure, while safeguarding the competitive strengths of their businesses, that the market, investors and the public are fully informed about their actions;
- must make every effort to promote fair competition, which they believe to be in their own interest and in that of all the other firms operating in the market, their customers and their stakeholders;
- must pursue excellence and competition in the market and provide their customers with high quality products and services that meet their needs efficiently;
- must be aware of the strategic importance of the services they provide for the well-being and growth of the communities in which they operate;
- must protect their human resources and enhance their quality; must use material resources responsibly, with a view to achieving sustainable growth that respects the environment and the rights of future generations;
- must engage in acts of generosity towards third parties such as non-profit organizations and entities by undertaking concrete humanitarian, cultural, social and sporting initiatives that create value added for shareholders and stakeholders, including from the ethical and civil standpoints;
- must ensure the proper planning and timely achievement of corporate objectives consistently with the related strategic guidelines of the Tratos Cavi SpA, having the creation of value as the primary objective.

## ARTICLE 3 - INTERNAL CONTROL SYSTEM

An efficient and effective internal control system is a necessary condition for the conduct of business to conform with the rules and principles of this Code. In this context the internal control system is a process - made up of rules, procedures and organizational structures - designed to ensure: a) the efficiency of the management of corporate affairs and operations; b) the measurability and verifiability of this efficiency, including by means of the traceability of acts and operations; c) the reliability of accounting and management data; d) compliance with all applicable laws and regulations whatever their origin, and the safeguarding of the Company's assets, inter alia so as to prevent fraud at the expense of Tratos Cavi SpA companies and the financial market. All the persons to whom the Code is directed are therefore required to help ensure the system works properly.

Especially important aspects of the internal control system are the correct specification of duties and responsibilities, with a consistent allocation of operational powers, and the reliability of accounting and management data.

The collection, storage, processing, presentation and dissemination of accounting and management data according to the methods and time limits established by applicable laws and regulations and corporate operational procedures must be a priority objective for Group companies. Primary responsibility for the pursuit of this objective - which requires the cooperation of all the persons to whom the Code is directed - shall lie with the Chief Executive Officer, the Chief Financial Officer and the persons responsible for the preparation of the financial reports and operational control in each Group company.

## ARTICLE 4 - RELATIONS WITH STAKEHOLDERS

### 4.1 Shareholders

Group companies are committed to ensuring equal treatment for all classes of shareholders and avoiding biased behaviour. The advantages that come from belonging to a group must be pursued in accordance with applicable laws and regulations and without prejudice to the interest of each company in the profitability of its activities and the creation of value for its shareholders.

### 4.2 Customers

The excellence of Group companies' products and services is founded on the attention paid to customers and the willingness to satisfy their requests. The ultimate aim must be to guarantee an immediate, capable and competent response to customers' needs, through conduct based on business correctness and transparent relationships and contractual commitments, as well as on courtesy and cooperation, in any case without using any statement harmful to the business image of competitors, in compliance with customers' central role and procedure-based disciplinary principles. In this context importance is also given to collaboration with consumers' associations, including by the conclusion of specific agreements.

### 4.2 bis Competitors

Group companies undertake to promote loyal competition, which is considered to serve the interests of the Group and the interests of all the participants in the market, customers and stakeholders in general.

### 4.2 ter Suppliers

Group companies are committed to ensuring that purchasing procedures are directed to obtaining products and services at the best conditions available on the market, while simultaneously meeting quality, security and environmental requirements.

### 4.2 quater Institutions

Group companies intend to maintain a cooperative and transparent relationship with Italian and international institutions in order to facilitate dialogue on issues of special interest.

### 4.2 quinquies The environment

Group companies pursue their own strategies with regard to the environment in compliance with the following principles: optimize the use of energy sources and natural resources; minimize negative environmental impacts and maximize positive ones; foster the spread of a culture based on a correct approach to environmental issues; ensure a commitment to continuously improving environmental performance; and adopt purchasing policies that take account of environmental issues.

### **4.3 The community**

Group companies intend to contribute to the economic well-being and growth of the communities in which they operate by providing efficient and technologically advanced services.

Consistently with this objective and with their responsibilities towards the various stakeholders, Group companies must consider research and innovation as essential to their growth and success.

Compatibly with their nature of commercial enterprises and the consequent need for their operations to be economically efficient, in their choices Group companies must consider the social importance of telecommunications services and endeavour to meet the needs of the entire community, including the weakest members.

Aware of the importance of the services they provide and the consequent responsibility towards society, Group companies must maintain relations with local, national and international authorities based on full and active cooperation and transparency, in conformity with their respective roles and the economic objectives and the values set out in this Code.

Group companies must be well-disposed towards, and where appropriate, provide support for social, cultural and educational initiatives aimed at developing persons abilities and improving living standards.

Group companies must not make contributions of any kind to political parties or trade unions or to their representatives or candidates, without prejudice to applicable laws and regulations.

Group companies believe in the possibility of sustainable growth at global level, in the interest of all today's and tomorrow's stakeholders. Their investment and operating choices must therefore always take into account the need to protect the environment and public health.

Group companies must take environmental issues into account in arriving at their decisions and - going beyond what is required by applicable laws and regulations where this is operationally and economically feasible - must try to adopt eco-friendly technologies and methods of production, with the aim of reducing the impact of their activities on the environment.

### **4.4 Human resources**

Group companies must recognize the central role of human resources, in the belief that the principal factor in the success of every firm is the contribution made by those who work for it, in a context of fairness and mutual trust.

Group companies must protect their employees' safety and health at the workplace and in the conduct of their business consider respect for workers' rights to be of fundamental importance. Personnel management within the Group must aim to ensure equal opportunity and to promote the development of each individual.

### **4.5 The market**

Group companies must be aware of the importance of correct information about their activities for the market, investors and the community as a whole.

Subject to the need for confidentiality in running their businesses, Group companies must make transparency an objective in their dealings with all stakeholders. In particular, they must disclose information to the market and investors in accordance with criteria of correctness, clarity and equal access.

The disclosure of information to third parties must be governed - in accordance with applicable laws and regulations - by special internal procedures.

## ARTICLE 5 - TRANSACTIONS WITH RELATED PARTIES

The activity of Group companies must be based on the principles of correctness and transparency. To this end, transactions with related parties, including intra-group transactions, must ensure substantial and procedural correctness, by complying with conduct of business rules for carrying out such transactions of which the market has been adequately informed.

## ARTICLE 6 - CONDUCT OF THE PERSONS TO WHOM THE CODE IS DIRECTED

The conduct and business relationships of the governing bodies of all Group companies, their managements and all those who work for them must be based on compliance with applicable laws and regulations, this Code and company procedures.

The persons to whom the Code is directed may not:

- the behaviour and activities, on the part of any recipient of the Code (therein including the senior management of the Parent Company and/or of the individual Group companies), that may be even abstractly of an illicit nature, even though it may be advantageous for the Group and/or realised exclusively in the interest or for the advantage of the individual Company or of the Group;
- pursue their personal interest or the interest of third parties to the detriment of the interest of the company they work for;
- improperly exploit, for personal interest or the interest of third parties, the name or reputation of the company they work for or of the Group or any information they acquire or business opportunities they learn of in the performance of their functions;
- use company assets for purposes other than those for which they are intended.

The persons to whom the Code is directed must refrain from activities (whether paid or not) and conduct incompatible with the obligations deriving from their relationship with the company they work for.

Employees (collaborators) of Group companies are required to report any potential, direct or indirect, conflict of interest with respect to the company they work for to their immediate superiors (contact persons); reports must also be made in doubtful cases.

The persons to whom the Code is directed must ensure the confidentiality of any information they acquire in performing their functions, in compliance with the rules set out in the internal procedure on the classification and management of information in terms of confidentiality. The handling of confidential information, with special reference to price-sensitive information, must also be governed - in accordance with applicable laws and regulations - by the relevant internal procedures.

## ARTICLE 7 - COMPLIANCE WITH THE CODE

Group companies are committed to adopting the procedures, rules and instructions serving to ensure that the values embodied in the Code are reflected in the conduct of each company and in that of its employees and collaborators, with provision made, where appropriate and in accordance with applicable laws and regulations, for a system of sanctions for violations.

Employees, collaborators, consultants and third parties having business relations with the Group must promptly inform the person in charge of internal control at the company they work for, directly or via their immediate superior, in the manner laid down in the relevant internal procedures and not using anonymous reports, of any:

- violation or inducement to violate applicable laws and regulations, this Code or internal procedures;
- irregularity or negligence in keeping accounting records, preserving the related documentation or fulfilling obligations with regard to financial or internal management reports;
- requests for clarification regarding the assessment of the correctness of their own or others' conduct and any shortcomings in the Code or proposals for amendments or additions.

The person in charge of internal control must verify any such reports to establish the facts and take appropriate action, including proposals to punish the culprits where this is provided for and in accordance with the procedures laid down in applicable laws and regulations, collective bargaining agreements or contracts.

Persons who make a report in good faith must not suffer any adverse consequences. Their names must be kept confidential in accordance with the relevant internal procedures, except as provided for by law.

The Committee for Internal Control and Corporate Governance and the Board of Statutory Auditors must be promptly informed of the reports received by the persons in charge of internal control and the consequent action taken.

**ARTICLE 8 - MONITORING AND REVISION OF THE CODE**

The Code must be reviewed annually and revised as necessary by Tratos Cavi SpA's Board of Directors in the light of the recommendations of the Committee for Internal Control and Corporate Governance and after hearing the opinion of the Board of Statutory Auditors, which may also submit proposals to the Board of Directors.



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