



CODE OF ETHICS

Rev. 2nd - 13th March 2009

First Approval by resolution of the Board of Directors

on 8th September 2004

Approval of Rev. 1 dated 14th January 2009 by resolution of the Board of

Directors on 2nd March 2009

Rev. dated 13th March 2009



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1. FOREWORD

S.I.T.T.I. S.p.A. Speciali Impianti Telefonici Telescriventi Interni (hereinafter referred to as "S.I.T.T.I." or the "Company") is a leader Company in Telecommunications for Air Traffic Control (ATC). The Company's mission is to increase and improve values for its shareholders, in full obedience to the Company's primary values, i.e. ethics, lawfulness, transparency, integrity and loyalty.

This Code of Ethics (hereinafter referred to as the "Code") aims at ensuring that the fundamental ethic values of S.I.T.T.I. are clearly defined and constitute the basic element of the corporate culture, as well as at identifying the standard of behaviour for Directors, Employees and for all those who, by virtue of specific proxies or powers of attorney, represent the Company vis-à-vis third parties (hereinafter referred to as the "Collaborators") when carrying out business and general corporate activities.

The Code of Ethics is binding with regard to the conduct of the Company's Collaborators.

S.I.T.T.I. will endeavour that the principles of this Code are complied with also by clients, suppliers, external collaborators and partners (hereinafter referred to as the "this parties") who have a long-lasting business relationship with the Company. The Company will not engage in or continue any business relationship with anyone who refuses to abide by the Code.

The Code of Ethics is an essential element of the "Organization and Management Model" adopted, together with the Code of Ethics,



by the Board of Directors of S.I.T.T.I. on 8th September 2004, pursuant to article 6 of the Italian legislative decree no. 231/01, which the Company undertakes to regularly and constantly apply, support and develop.

This Rev. 2 dated 13th March 2009 replaces the previous Rev. 1 dated 14th January 2009 approved by resolution passed by the Board of Directors on 2nd March 2009 and takes account of the observations pointed out during the aforementioned Board of Directors in relation to the need to cancel some references, which are regarded as not necessary.

The aforementioned interventions do not represent an impediment to the adoption by S.I.T.T.I. of this Rev. 2.

S.I.T.T.I. undertakes, towards all those who are involved in the application of this Code to:

- ensure its prompt distribution, by making this Code available to everyone and organizing appropriate training programs;
- guarantee the Code is always up to date and ensure any change is promptly disclosed to all the Addressees ("Collaborators" and "Third Parties") of the Code;
- arrange all the essential supports to provide clarifications in relation to the interpretation and implementation of the provisions of the Code;
- arrange suitable procedures to report and investigate any possible violation of this Code;
- ensure that all those who report any violation of the Code are not subject to any kind of retaliation;



- periodically verify the respect of and the compliance with the provisions of the Code.

The Code of Ethics is an essential part of the employment contract and expresses the essential contents of the relationship of trust between the Company and the Collaborators.

All the Collaborators undertake to:

- act and behave in obedience to the provisions laid down by the Code;
- promptly report any possible violation of the Code of Ethics, as soon as they have knowledge of that;
- cooperate in the definition and in the obedience of the internal procedures, arranged to implement the Code;
- refer to their supervisors or the indicated structures, to obtain clarifications for those parts of the Code where they feel they need guidance or interpretation.

The Code of Ethics is brought to the attention of all the Collaborators and can be browsed and also freely downloaded from the website www.sittispa.com.

The Code is subject to revisions by the Board of Directors of the Company and in this activity they will take into consideration the contributions received by the Addresses, as well as the normative frameworks evolutions and the most established national and international good practices, along with the experience acquired in the application of the Code itself.

Any possible change of the Code, made further to this revision



are published and made available according to the manners set forth above.

2. ETHICS IN BUSINESS CONDUCT AND ACTIVITIES

S.I.T.T.I. organises and develops its business activity by applying the ethical principles identified by this Code and asks its Addressees to behave accordingly in all circumstances.

2.a) Internal Control System

S.I.T.T.I. considers as a corporate fundamental element control culture, which contributes to increase business operations efficiency and effectiveness in respect of the Company's collaborators are adequately sensitized.

"Internal Control System" means the set of processes, tools and procedures necessary or useful to guide, manage and track the Company's activities to ensure with reasonable certainty:

- corporate objectives achievement;
- corporate assets protection;
- adoption of behaviours and processes to ensure compliance with law and internal guidelines;
- efficiency, effectiveness and cost effectiveness of business activities;
- information reliability and accuracy, including accounting and financial ones, both within the Company and disclosed to third parties;
- corporate information confidentiality that has not been disclosed to the public.

The Internal Control System represents an essential element of the "Corporate Governance" of the Company and provides an



appropriate protection to the shareholders and to all the parties who interact in whatever capacity with the Company.

The Board of Directors is responsible for the Internal Control System, of which, *inter alia*, this Code constitutes one of the terms of reference, it fixes the guidelines and periodically assesses the adequacy and effectiveness thereof.

The Board of Directors supervises the compliance with the Code of Ethics by all the Addressees.

All the Collaborators provide full and timely cooperation to all auditing bodies, whether internal or external with respect to the Company, so as to assure the best performance of their duties.

2.b) Transparency of accounts

S.I.T.T.I. is aware of the importance of transparency, accuracy and completeness of accounting information and makes all efforts to ensure that the administrative- accounting system reliably represents business events correctly and to provide the instruments for identifying, preventing and managing, as far as possible, financial and operative risks, as well as fraud to the damage of the Company.

The accounting data and documents must be based on precise, exhaustive and verifiable information, and must reflect the nature of the operation they refer to, in obedience to external restrictions (rules of law, accounting principles), as well as the policies, plans, regulations and internal procedures; furthermore, they must be accompanied by the relative supporting documentation to allow for objective analysis and verification.



The accounting data shall allow to:

- produce fair and timely views of the profit and loss, asset and financial situation;
- provide the instruments for identifying, preventing and managing, as far as possible, financial and operative risks, as well as fraud to the detriment of the Company;
- make controls, which allow to reasonably assure the safeguard of the assets value and the protection of losses.

All Collaborators are bound to act so that all the management operations are correctly and promptly represented in such a way that the administrative- accounting system may achieve the aforementioned targets.

2.c) Relationships with the external collaborators

The external collaborators (consultants, professional firms, intermediaries, etc.) are required to comply with the principles contained in this Code.

All the Collaborators of the Company, in relation to their duties, shall:

- carefully consider the opportunity to avail themselves of external collaborators;
- select counterparties only with a suitable professional qualification and reputation;
- obtain, from the external collaborator, a guarantee of constant satisfaction of the quality, cost, time and performance level;
- operate according to the laws and regulations in force;
- ask to the external collaborators to always comply with all



the principles of the Code and include a specific clause in the contract that governs such compliance;

- promptly report to their superiors or the Person in Charge of Internal Control, if appointed, any wrong behaviour or any possible violation of the Code by an external collaborator, which appears to be in conflict with the ethical principles of the Code.

2.d) Relationships with partners

S.I.T.T.I. can start a business enterprise jointly with other companies through, for example, the acquisition of shareholdings.

In such operation all the Company's collaborators have to:

- establish a business relationships only with partners or other associates who conform to the ethical principles comparable to those of the Company;
- ensure the subsidiary company operates in line with the provisions laid down by this Code;
- ensure that no partner is given disproportionately favourable treatment with respect to its contribution;
- ensure the transparency of the agreements and avoid any execution of secret covenants or agreements contrary to law;
- keep a honest, clear and cooperative business relationship with all the partners;
- promptly report to their superiors any behaviour by the subsidiary company, by a partner or by an associate, which appears to be contrary to the ethical principles of the



Code.

2.e) Relationships with public officials

The relationships with the public officials must be managed only by the functions and by the Collaborators delegated to do so.

No collaborator of the Company shall promise or pay sums, promise or grant assets in kind or other personal benefits, including indirect ones, to public officials in order to promote and favour the Company's interests, even following unlawful requests.

The persons set forth above shall not elude the aforementioned provisions by resorting to other forms of aids or contributions, which, under the guise of sponsorships, assignments, consultancies, advertising, etc., may have the same purpose prohibited above.

Gifts and acts of courtesy towards representatives of public institutions must be of reasonable value and proportioned to the case and, however, such not as to be interpreted as aimed to acquiring undue advantages for the Company.

2.f) Relationship with representatives of political parties and Trade Unions

S.I.T.T.I. does not make direct or indirect contributions to political parties, movements, political or trade-union committees and organisations, or to their representatives, and does not support them in any manner.

2.g) Relationships with clients and suppliers

S.I.T.T.I. aims at satisfying the best and legitimate expectations of its clients, by providing them with quality



services at competitive conditions.

The role of suppliers is essential for improving the overall competitiveness of the Company and, accordingly, S.I.T.T.I. selects only those suppliers who have the best characteristics in terms of quality, innovation, cost, service, continuity and ethics, with whom stable, transparent and collaborative relationships are established.

Within the context of the relationships with clients and suppliers, the Collaborators undertake to:

- apply the internal procedures to select clients and suppliers and to manage such relationships;
- avoid creating discriminating situations aimed at unduly exploiting strong position to the detriment of clients or at preventing any possible supplier, who has all the qualities required, from participating to tenders for the award of contracts;
- operate in obedience to the laws and the regulations in force;
- always fulfil the commitments and the obligations with clients and suppliers;
- behave always efficiently, politely, cooperating and courteously;
- provide complete, accurate and truthful information;
- maintain a honest and clear dialogue with clients and suppliers, in obedience to the best business practices;
- ask to clients and suppliers to conform to this Code of Ethics and include in the contracts, whenever it is so



provided for by the procedures, an express obligation to comply with it;

- promptly report to a superior or to the Supervisory Body any client's or supplier's behaviour, which appears to be contrary to the principles laid down by the Code.

2.h) Relationships with competitors.

S.I.T.T.I. is fully aware of the importance of a competitive market, so it commits to respect the laws that govern the competition and the market itself, and to cooperate with the relative market regulating Authorities.

The Company and its Collaborators avoid procedures (including, but not limited to: creation of cartels, division of markets, limitations to production or sales, tying arrangements, etc.), which may represent a violation of the provisions protecting competition and market.

2.i) Confidentiality

S.I.T.T.I., while performing its business activities, collects a significant quantity of personal data and confidential information, which it undertakes to process in compliance with all applicable laws and according to the best practice in matters of confidentiality and privacy.

2.j) Handling of confidential information

"Confidential Information" is the knowledge of a project, a proposal, an enterprise, a negotiation, an agreement, a commitment, a fact or an event, even future or uncertain, that regards the Company's activities, that is not of public domain and that, if made public, could damage or could be considered



as an "essential fact" pursuant to article 114 of the "Italian Consolidated Financial Act" and pursuant to article 66 of the CONSOB [Italian Commission for Listed Companies and the Stock Exchange] Resolution no. 11971 dated 14th May 1999 and amendments and riders thereof.

"Price-sensitive news" is an information about an "essential fact", or about provisional or final accounting information that can considerably modify the quotation of the Company.

The Company's Collaborators who, in the execution of the duties of their offices, become aware of a confidential information, must not disclose it to third parties, unless for official or professional reasons. In the communications to third parties, it must be specified the confidential character of the information transmitted and the obligation to keep it confidential also by third parties. The internal circulation and towards third parties of documents concerning confidential information shall be checked very carefully in order to avoid any prejudice to the Company and any unlawful and inappropriate disclosure.

3. ETHICS IN EMPLOYMENT AND PROTECTION AND EMPOWERMENT OF THE COLLABORATORS

3.a) Protection of the Employees' integrity and dignity

S.I.T.T.I. knows how important the human resources are for the existence, development and success of the Company, and that the



motivation and professionalism of their employees are essential elements to maintain the competitiveness and to create value for the shareholders.

For this reason, the Company develops the abilities of all its employees, to help them to achieve the Company's targets

The Company offers equals job opportunities to all its employees, carefully considering their specific professional qualities and work efficiency, without any discrimination, because the function in charge of Human Resources selects, employs and manages the employees according to their skills and abilities and not to their race, religion, sex, age or extraction, in full obedience to the laws and the regulations in force.

3.b) Health and safety at the workplace

S.I.T.T.I. undertakes to diffuse and consolidate a culture of safety by developing risk awareness and promoting responsible behaviour by all collaborators.

The competent departments check that the working environment is, besides being adequate from the point of view of security and personal safety, free from any prejudice and that every individual is treated with respect, without any intimidation and in respect of their personal morality, avoiding illicit harassments and undue disturbance.

3.c) Conflicts of interest

All Collaborators must ensure that every business decision will be made in the interest of the Company. Consequently, they will avoid any situation that may create a conflict of interest



between personal or family economic activities and the work performed on behalf of the Company.

If one of the Collaborators finds him/herself in a situation that can even only potentially constitute or determine a conflict of interest, he/she must promptly inform in writing his/her superior, who will inform the Board of Directors so that the actual presence of such conflict can be assessed and the possible intervention can be defined.

By mere way of example, the following situations can determine a conflict of interest:

- having economic and financial interests (significant holding of shares, professional offices, etc.) including through family members, with clients, suppliers or competitors;
- carrying out a working activity, also by family members, at clients, suppliers or competitors;
- accepting money, gifts or favours of any kind from persons, companies or agencies, which entertain or intend to enter a business relation with the Company;
- using one's position in the Company or information acquired on the job in a way that creates a conflict between his own interests and those of the Company;
- purchasing or selling shares when, in relation to one's job, there is a knowledge of relevant information that are not yet in the public domain. In any case the negotiation of any securities of the company by relevant persons shall be always made with absolute transparency and fairness and



by complying with the prescribed requirements of information to the market.

3.d) Proper use of the Company's assets

Each Company's Collaborator is responsible for the resources received and is bound to use the assets and resources of the Company in an efficient and suitable way to protect their value. Any use of said assets and resources which in any way conflicts with the interests of the Company or for purposes which are not part of the employee relationship with the Company is prohibited.

3.e) Gifts and donations

It is forbidden to offer, whether directly or indirectly, money, gifts or benefits of any type on a personal basis to executives, officers or suppliers' employees, external collaborators, partners, public administration bodies, public institutions or other organisations for the purpose of obtaining an undue advantage.

Acts of commercial courtesy, such as small gifts or forms of hospitality, are only allowed when their value is small and they do not compromise the integrity and reputation of either party and do not influence the autonomous judgment of their beneficiaries.

In the same way the Company's Collaborators cannot receive gifts or special favours, unless within the limits of normal relations of courtesy and of moderate value. If a Company's collaborator receives a gift over the reasonable value allowed, he has to report it to his supervisor who will immediately take a decision



to return it or use it in the most appropriate way, and advise the sender about S.I.T.T.I.'s principles governing this subject.

3.f) Anti-money laundering

S.I.T.T.I. and all its Collaborators shall neither carry out, nor be involved in, any activities that may implicate money-laundering (i.e. acceptance or handling) of criminal proceeds, in any form or manner whatsoever.

The Company and all its Collaborators must check in advance any available information (including financial information) on business counterparties, consultants, suppliers and third parties in general, in order to ensure that they are reputable and involved in a legitimate business before establishing any business relation with them.

The Company must always comply with the application of laws on anti-money laundering in any competent jurisdiction.

3.g) Antiterrorism

S.I.T.T.I. recognises the primary value of principles of a democratic order and of free political determination on which a State is based. Any It is therefore forbidden and entirely alien to the Company to engage in any activity that may constitute terrorist activity or however subversion of the democratic order of the State.

Every employee who should learn of behaviours or acts being committed that may constitute terrorist activity of any kind, or which may in any way assist or finance such activity or such offences, shall, subject to the statutory obligations in force, immediately inform his/her superiors



and the Supervisory Body thereof.

4.a) Relationships with the Media

The communication of information to the media plays an important role in the creation of the Company's image and, therefore, all information concerning S.I.T.T.I. shall be supplied in a true and uniform manner, and only by those Collaborators responsible for communication to the media.

The relationships with the media is bound to the compliance with the right to information.

The information to the media have to be accurate, coordinated and consistent with the Company's principles and policies; it has to comply with laws, regulations and professional behaviour practices; it must be communicated with clearness and transparency. It is strictly forbidden to spread false information.

The Company's Collaborators must not provide any private information relating to the Company to representatives of the media, nor may they have any type of contact with the media aimed at disclosing confidential corporate information, and they have to report to their supervisors any particular question made by them.

4.b) Institutional communications

The information concerning the Company (Company Profiles, audio-visual presentations, etc.) must be characterised by accuracy and veracity of data submitted.

In case of participation in events and congresses, drawing up of articles and publications in general, as well as in case



of public speeches, the information provided in relation to the activities, results, positioning and strategies of the Company may be distributed, unless already in the public domain, in compliance with the internal procedures.

5. IMPLEMENTING RULES

The Board of Directors refers, for all the preliminary activities related to the operative procedures and for the report and treatment of all the violations of the Code, to the Supervisory Body pursuant to the Italian legislative decree no. 231/2001.

The Supervisory Body's duties are:

- identifying the operative procedures to report any possible violation of the Code and the way to deal with such violation. These procedures must guarantee a proper protection of confidentiality and must likewise govern the matter in order to ensure a general fairness of the process for the purpose of avoiding irrelevant reports or reports, which are not supported by facts or which are absolutely groundless;
- receiving, analysing and verifying all the reports of violation of the Code, providing the necessary operative procedures (fax, electronic mail, etc.) and ensuring the privacy of the reporters of violations;
- taking decisions on how to deal with significant violations;
- ensuring efficient processes of communication, training and involvement, by coordinating all the interventions for the disclosure and understanding of the Code;



- being a point of reference for interpretations of relevant facts;
- updating the Code to be submitted to the Board of Directors for approval;
- periodically verify the Code's application

The Supervisory Body is responsible for the management of all the aspects related to the diffusion and the application of this Code, by availing itself also of the support of the human resources department of S.I.T.T.I. that, according to its indications, implements appropriate internal communication plans and training programs for the diffusion and knowledge of the Code.

Similar communication plans will be created to spread the Code regulations even outside the Company in order to give knowledge of the operations to report possible violations.

6. EFFECTIVE DATE

This Code of Ethics became effective as from the date of its first approval by the Board of Directors, i.e. on 8th September 2004.

Rev. 1 dated 14th January 2009 was approved by the Board of Directors by resolution passed on 2nd March 2009.

This Rev. 2 takes account of and applies the recommendations made during the meeting of the Board of Directors held on 2nd March 2009 on Rev. 1.

Any change being made does not constitute an impediment to the adoption of the new Code in Rev. 2 dated 13th march 2009.

