

CODE OF CONDUCT

Introduction.

ORIZZONTE Sistemi Navali S.p.A. (hereinafter “Orizzonte”) is the first and only naval systematics company in Italy that, due to the importance of its activities, plays an important role in the economic development and well-being of its community.

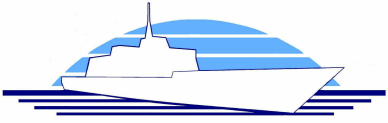
All the company's activities are carried out in observance of the law, in a framework of fair competition, with honesty, integrity, correctness and good faith and respect for the legitimate interests of stockholders, employees, customers, commercial and financial partners and the community in which Orizzonte conducts its activities. Everyone who works for Orizzonte, without distinction or exception, is committed to observe, and enforce, these principles in the context of their own functions and responsibilities. The belief that one is acting in the company's interests in no way justifies the adoption of behaviours that contradict these principles.

Due to the complexity of the situations in which Orizzonte operates, it is important to clearly affirm the entirety of the values that the company recognizes, accepts and shares and the entirety of the responsibilities that it assumes both internally and externally. For this reason, a Code of Conduct (hereinafter the “Code”) has been drafted, whose observance by all employees is of fundamental importance for the good operation, reliability and reputation of Orizzonte, factors that constitute a decisive element of the company's success.

In addition to fulfilling the general duties of loyalty, fidelity and correctness and executing work contracts in good faith, Orizzonte's employees must abstain from engaging in activities that compete with those of the company, respect company rules and follow the standards of the Code, whose observance is also required due to the effects provided for by article 2104 of the Italian Civil Code¹. Relations between employees, of any rank, must be inspired by transparency, correctness, loyalty and reciprocal respect.

Each employee is required to be familiar with the Code, to actively contribute to its success and to report any shortcomings. Orizzonte undertakes to facilitate and promote the familiarity of its employees with the code and their constructive contribution to its content. Any behaviour contrary to the letter and spirit of the Code will be sanctioned in conformity with the provisions of the Code itself. The principles delineated by the Code of Conduct may be supported by specific directives, regulations or internal procedures, intended to make their application more concrete and precise.

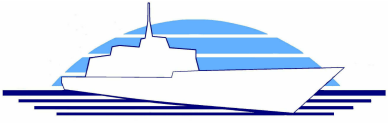
¹ “Article 2104: Employee diligence. Employees must apply the diligence required by the nature of the performance due to the company's interests and those higher interests of national production. He must also observe the requirements for the execution and control of the work given by the employer and its collaborators on which it hierarchically depends.”



All those with whom we maintain business relations will be made aware of the Code.

Orizzonte will monitor observance of the Code by providing adequate information, prevention and control tools and ensuring the transparency of the operations and behaviours put into place.

The Board of Directors, and company management, are responsible for verifying the implementation of the Code of Conduct and its application and they may also offer proposals to supplement or change its contents.



1) Respect for the Law, Standards and the Code of Conduct.

Orizzonte respects the laws and standards in effect in each country or context in which it operates, coherently with the principles, objectives and commitments established in this Code.

All employees, in the respect they already owe to the law and current standards, must adapt their actions and behaviour to the principles, objectives and commitments required by the Code.

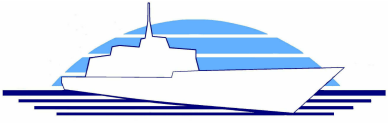
In particular, management is bound to observe the contents of the Code in proposing and realizing projects, actions and investments useful to increasing the company's asset, management and technological values and the long-term well-being of its employees and the community. In establishing business objectives, the members of the executive committee will be inspired by the Code. All the actions, operations and negotiations conducted and, in general, the behaviour of the employees in the performance of their work activities will be inspired by the greatest possible correctness, completeness and transparency of information, legitimacy under its substantial and formal aspect and clarity and truth in accounting records in conformity with current standards and internal procedures. The observance of the Code must be considered an essential part of the contractual obligations of all employees in conformity with, and as an effect of, article 2104 of the Italian Civil Code. Orizzonte, through its employees, will actively and fully cooperate with the Authorities.

Outside collaborators (including consultants, representatives, brokers, agents, etc.) are asked to observe the same principles contained in the Code.

2) Commercial Activities and Relations

All actions and activities performed or put into place by Orizzonte must be legitimate, open to verification, respectful of the established standards, procedures and regulations and based on correct and complete information. The company will act in conformity with ethical and legal standards in its commercial, promotional and industrial relations.

In its business relations, Orizzonte will be inspired by principles of loyalty, correctness, transparency, efficiency and openness to the market. To this purpose, employees and outside collaborators whose actions can in some way be referred to Orizzonte itself, must always follow principles of correct conduct in affairs of interest to the company and in relations with the civil service. Corrupt practices, illegitimate favours, illicit conduct, solicitations, whether direct or through third parties, for personal and career advantages for oneself or others, are prohibited.



3) Relations with Customers and Suppliers

Orizzonte pursues correct and transparent relations with customers and suppliers through the offer of competitive products and in respect for the rules of fair competition. The selection of suppliers and the determination of purchase conditions made by the company must be based on an objective evaluation of quality, price and the ability to supply and guarantee an adequate level of service.

In relations involving tender offers, procurement and, in general, the supply of goods and/or services, employees are, in fact, under obligation to:

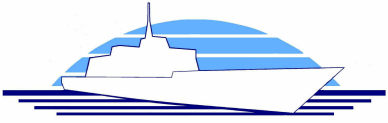
- *observe internal procedures for the selection and management of relations with suppliers;*
- *not preclude any supplier company in possession of the proper requirements from the possibility of competing for the award of a supply, adopting objective evaluation criteria in the selection, according to standardized and transparent methods;*
- *obtain the collaboration of suppliers in constantly assuring the satisfaction of the customers' needs in terms of quality, cost and delivery times in a measure at least equal to their expectations;*
- *observe contractually required conditions;*
- *maintain a frank and open dialogue with suppliers, in line with good commercial practices;*
- *to bring the existence of important problems with a supplier to the awareness of the competent company managers so as to be able to evaluate their consequences at a company-wide level.*

4) The Company's Goods and Property

Each employee is under obligation to preserve and protect the goods and resources that the company has entrusted to them for the performance of their jobs.

No employee may make improper use of company goods or resources or allow others to do so.

When one leaves the company for any reason, including retirement, all materials owned by the company are to be returned, including documents and computer media containing information that is the company's exclusive property; employees may not divulge or make improper use of the confidential information they may have come to know. Developments that are considered



"intellectual property" made by employees during the working relationship, will continue to remain the company's property, even after they have left.

5) Human Resources, Safety and the Environment

Orizzonte is committed to guaranteeing the professionalism of its employees as well as the health and safety of employees, outside collaborators, customers and the community involved in its activities and to reducing their environmental impact.

The company's policy is to create and maintain the abilities and skills of each employee, to recognize merit and to respect equal opportunities. Orizzonte's industrial activities must be managed in full respect for current standards concerning prevention and protection. Operational management must refer to advanced criteria for safeguarding the environment and energy efficiency by pursuing the improvement of health and safety in the workplace.

In particular, research and innovation must be dedicated to the promotion of products and processes that are increasingly more compatible with the environment and characterized by increasing attention to worker health and safety. In the context of their job descriptions, employees will participate in the process of preventing risks, safeguarding the environment and protecting their own health and safety and that of their colleagues and third parties.

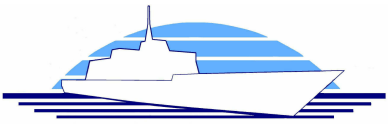
6) Accuracy and Verification of Accounts and Records

Orizzonte's financial, accounting and management records must be based on precise, exhaustive and verifiable information and coherent with the hierarchical and organizational structure of the company.

Every entry in the accounting records and documentation must reflect the nature of the operation to which it refers and must be based on adequate documentation so that all accounts and documents are open to objective analysis and verification.

At all levels, Orizzonte will promote and spread a culture characterized by awareness of the existence of controls and the assumption of a mentality oriented towards the exercise of control. The attitude towards controls must be positive for the contribution that these make to improving company efficiency.

The responsibility for realizing an effective internal control system is common at every level of the organizational structure; consequently, in the context of their responsibilities, managers are under



obligation to participate in the corporate control system and to require that their collaborators participate in it. In the context of the functions they carry out, all employees are responsible for the definition and correct operation of the control system. Any employee that comes to know of possible omissions, falsifications or irregularities in accounting or basic documentation is required to report it to their superior in writing.

The established oversight body and the auditing company as well as the personnel who carry out the auditing function will have free access to the data, documentation and information useful for the performance of their institutional activities.

7) Allegiance to the Company and Conflicts of Interest

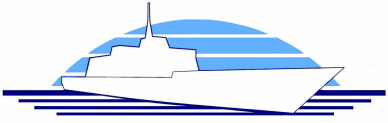
Orizzonte will maintain a relationship of trust and allegiance with each of its employees. They must be loyal and faithful in pursuing the company's interests and objectives. Employees must avoid any situation or activity that could lead to conflicts of interest or that could interfere with their ability to make impartial decisions in the best interests of the company.

There will be a relationship of full trust between Orizzonte and its employees in the context of which employees have a primary duty to use the company's goods and their own working abilities for the realization of the company's interests.

In this perspective, employees must avoid all situations and activities that could involve a conflict with the company's interests or that could interfere with their ability to make impartial decisions in the best interest of the company and in full respect for the standards of the Code. Any situation that could constitute or determine a conflict of interest must be communicated to a superior in a timely manner so that its existence and seriousness can be evaluated.

By way of example, the following situations are conflicts of interest:

- *employees, and/or their families, having economic and financial interests in the businesses of suppliers, customers and competitors;*
- *use of ones position in the company, or information acquired during ones work, in a manner that could create a conflict between ones personal interests and the interests of the company;*
- *performing work of any type in the premises of customers, suppliers or competitors;*
- *accepting money, favours or benefits from persons or companies that have, or intend to enter into, a business relationship with Orizzonte.*



One may not, directly or indirectly, make offers of payments and material benefits of any size to third parties or public or private officials to influence or compensate any act of their office. Any employee that receives gifts or favourable treatment not directly ascribable to normal relations of courtesy must refuse them, immediately informing their superior.

8) Confidential Information

Any information that must not be divulged, that has a confidential nature relative to knowledge or data that belongs to the company must not be used, communicated or revealed without the specific authorization of the persons responsible for such information, knowledge or data.

In addition to what is the subject of specific laws or regulations inasmuch as referring to military sectors or protected technologies or, at any rate, contractually secret, confidential information consists of all information obtained in the performance of ones work, or at any rate, in the context of work, whose publication and use could cause danger or damage to the company and/or undue gain for the employee. The information, knowledge and data acquired or processed by the employee during their work or through their job duties, belong to the company and cannot be used, communicated or divulged without the specific authorization of a superior.

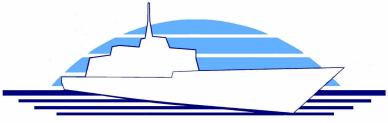
Orizzonte undertakes to protect information about its employees and third parties generated or acquired in-house and in business relations and to avoid any improper use of this information.

Any form of exploitation and use for economic and investment purposes, whether directly or by interposed person, based in any way on confidential company information is against the law and, therefore, rigorously forbidden.

9) Relations with Public Officials, National, European Union and Foreign Public Institutions and Other Subjects Representing Collective Interests.

Contacts with public officials or government agencies, the public administration and Italian, European Union and foreign public institutions are limited to those who have been assigned, by specific authorization, to deal, or have contact, with such administrations, public officials, agencies, organizations and/or institutions.

Gifts and acts of courtesy and hospitality towards government representatives and public officials and employees are permitted when they are of modest value and, at any rate, such as not to compromise the integrity or reputation of one of the parties and that an impartial observer would



not interpret as intended to gain an advantage in an improper manner. In any case, this type of expense must be authorized at an appropriate level and suitably documented.

10) Relations with Political and Labour Organizations

Orizzonte does not contribute, finance or provide any type of support that could be considered a direct or indirect contribution, either directly or through intermediaries, to political parties or candidates.

Orizzonte governs its relations with political and labour organizations exclusively on the basis of current laws, standards and agreements/contracts. Any direct or indirect contribution to parties, movements, committees and political and labour organizations or their representatives and candidates are forbidden, except those due on the basis of specific legal requirements and in respect for the forms, modes and contents required by them.

Activities performed by an employee during working hours in favour of political or labour organizations are equivalent to a form of contribution in their favour. For this reason, if an employee is a candidate for a public office or if he holds a public office or participates in a candidate's electoral campaign, he may not be compensated for time devoted to such activities, unless this is expressly required by the law.

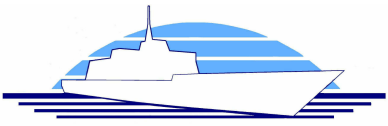
Opinions expressed on public questions must always be in a personal capacity without ever giving the impression that one is speaking or acting on the company's behalf.

11) Relations with the Press and News Media

Information provided outside the company must be true and transparent.

The company must present itself in an accurate, coordinated and coherent manner when communicating with the press and mass media. All contacts with the press or media must be conducted by those who are specifically authorized to do so.

Any request for information from the press or news media must be communicated to company personnel responsible for this purpose before making any commitment to respond to the request.



12) Effects of Violations

Violations of the Code of Conduct compromise the relationship of trust between company and employee.

Any employee that violates the Code of Conduct may be subject to disciplinary action, the revocation of powers or functions and being reported to the usual administrative or judicial authorities.