

231 GUIDELINES

1. INTRODUCTION

1.1 These Guidelines are an excerpt of the control and management organization model pursuant to Legislative Decree 231/2001 ("**Model 231**") adopted by STI S.r.l. (hereinafter the "**Company**"). The Guidelines summarize the principles of conduct, the ethical rules and the rules of behavior that representatives of the Company's boards, staff, collaborators, consultants and, in general, those who carry out work on behalf of the Company, are required to observe in carrying out their duties.

1.2 The rules indicated in the following points are binding for the Company's staff and collaborators but also for suppliers, agent, associates, affiliates, lessees, shippers and other partners as well as the Company's external service suppliers who shall therefore have to adopt and have a conduct that is compatible with the same. The Company shall not enter into or shall terminate contractual relations with parties that do not respect such principles.

2. CONDUCT IN SENSITIVE AREAS PURSUANT TO LEGISLATIVE DECREE 231/2001

2.1 All parties indicated under point 1 (collectively also referred to simply as "**Recipients**") must respect the existing laws and regulations that apply to the various sectors in which the Company carries out business.

2.2 The Guidelines:

- (a) Are a general principle of "work and business correctness and lawfulness";
- (b) Apply to the so called "sensitive areas", identified by the activities' mapping exercise, where there is an abstract possibility that crimes pursuant to Legislative Decree 231/2001 are committed. Among the main sensitive areas identified by the mapping exercise, the following are especially noted:
 - (i) Relations with the Public Administration (applications for authorizations, concessions, licenses, permits, payment of taxes, fees, concessions, duties, various excise duties, etc.);
 - (ii) Daily management of the Company (registered office and administrative offices): relations with the P.A. (authorities, ASL, Firemen, local authorities, etc.);
 - (iii) Applications for public funding (also in the form of tax benefits and tax abatements);
 - (iv) Management of financial resources. Payment procedures and relations with banks and credit institutions;
 - (v) Company management and shareholder relations;
 - (vi) Human Resources (HR) management and, in particular, the adoption of safety and hygiene measures pursuant to Legislative decree no. 81/2008. Compliance with HSSE policies by different business units;
 - (vii) Handling of relations with third parties (i.e. agents, associates, affiliates, lessees, shippers, distributors, suppliers, and other commercial partners);
 - (viii) Handling of so-called privileged information concerning IMI Group companies listed on the European and International stock markets;
 - (ix) Management of the Information system and of IT procedures;
 - (x) Environmental area.

(c) In summary, these Guidelines are the rules of ethics and behavior inspiring the conduct of persons who carry out work for IMI Group companies.

3. GENERAL PRINCIPLES OF CONDUCT OF THE IMI GROUP

3.1 Each company of the IMI Group has adopted and incorporated the Code of Conduct – IMI Way ("**IMI Way**") which summarize the ethical principles that need to inspire the conduct of its boards, staff, collaborators and consultants.

3.2 The IMI Way identify the main areas of responsibility for shareholders, clients, staff, commercial partners and the community. Such rules need to be considered as priorities also for the Recipients carrying out of activities.

3.3 Within the scope of each area of responsibility the underlying objectives to be pursued by the companies and by the Recipients are specified.

3.4 A copy of the IMI Way is available to each Recipient (i.e. accessible via the Internet site www.imiplc.com). It is required to the Recipients to communicate and share the IMI Way principles with all their employees, consultants and/or with partners subject to their surveillance or involved by the Recipients in order to carry on their activities for IMI Group.

4. RELATIONS WITH PUBLIC ADMINISTRATION AND PUBLIC PARTIES

4.1 Recipients who, within the scope of their work, carry out business on behalf of the Company with the Public Administration and with Public Parties in general (including Public Service Agents) are required to perform their duties with integrity, independence, correctness and transparency.

4.2 The following rules of conduct are especially important:

(a) Prohibition to promise or make payments or bestow goods, economic advantages, or illegitimate favours to Public Officials, Public Service Agents, Civil Servants and Public parties in general (including Public parties of foreign countries) to promote or favour the Company's interests;

(b) Loyalty, correctness and transparency in all dealings with the Public Administration and Public Authorities in general (including EU and other international Authorities) for the following activities: (i) requests for administrative provisions, authorizations, licenses, concessions, permits, opinions, etc.; (ii) inspections and verifications; (iii) participation in tenders and other public procedures; (iv) drafting contracts and agreements, letters of intent, protocols of understanding, etc. (v) granting of public funding, including forms of tax abatement and facilitations (see point 5);

(c) Respect of the Company internal competences and authorities according to the Company's corporate governance structure and functional breakdown between various business areas;

(d) Strict observance of the IMI Way and internal procedures adopted by the Company in all dealings with the Public Administration, for which adequate information is given to all employees of the Company and to the Recipients; between them, a particular attention must be given to the procedures in the Anti-Bribery and Corruption (ABC) Policy of the IMI Group.

5. PROPER MANAGEMENT OF PUBLIC FUNDING

5.1 In addition to the rules of conduct provided for under point 4, persons who carry out business on behalf of the Company are required to have the following conduct in all handling and treatment of public funding (including public funding in the form of tax abatements or facilitations):

(a) correctness and "truthfulness" when completing and handling the documentation necessary for admittance to competitions, tenders and public funding consortiums;

(b) correctness, transparency, "truthfulness" and completeness of information supplied to the Public Administration;

(c) transparency and reliability of recordings and reporting relating to the management and treatment of public funding;

(d) integrity and correctness in the use of public funding disbursed to companies of the IMI Group, ensuring that the same is used for the purpose and in the manner for which it was made available;

(e) correctness in carrying out the specific checking activities on the formal and substantive regularity of operations carried out after funding has been received;

(f) respect of existing regulations and of the instructions supplied by the competent Administrations.

6. PROPER MANAGEMENT OF FINANCIAL RESOURCES

6.1 Staff, and, more generally, all persons who carry out work on behalf of the Company, are first of all required to respect the policies and procedures adopted by the Company to guarantee that its internal control systems meets the requirements of the UK Bribery Act. Indeed, since IMI Plc is also listed on the stock markets of the United Kingdom and relevant investors are located in the United States of America, the Company has, after a careful analysis of its control processes, made sure that the same guarantee cover of risks of non-conformity to UK Bribery Act. This has resulted in the adoption of specific control procedures especially with regard to the handling of financial resources.

6.2 The principle of "segregation", which is at the base of purchasing procedures and accounts payable management, and for which there must be a clear separation between the persons who request the purchase and expenditure, those who authorize the same, those who control that the invoice to be paid matches the good purchased or service rendered, and the person who effects the payment.

6.3 Each operation and transaction must be legitimate, properly authorized, recorded, verifiable and consistent with the objectives of the Company. In particular, it must be possible to verify the decision making process, authorization, and subsequent carrying out of the operation or transaction at all times.

6.4 An accurate account of the operations and transactions of the Company must be prepared. Each operation must be supported by suitable backup enabling a check on the characteristics and reasons for the operation, and identifying the person who authorized, prepared, recorded and verified the same.

6.5 The staff and parties who carry out work on behalf of the Company, including purchasing, need to operate with diligence and in compliance with the principles of correctness, inexpensiveness, quality and lawfulness.

7. PROPER COMPANY MANAGEMENT

7.1 The management of the Company is aware of the principles of market protection and of the stability of public economics. The Recipients - as well as the Company's management, directors and employees - must not behave in contrast with such principles, such as, by way of example:

(a) Preventing the activities of control and auditing of Shareholders, Auditing firm and other company bodies;

(b) Creating a majority on company boards and bodies in an unlawful manner;

(c) Carrying out unlawful operations on own company shares or quotas or on those of the controlling company;

(d) Carrying out, at the detriment of creditors, reductions in share capital, splits or mergers with other companies;

(e) Hindering the supervising functions of public supervising authorities.

7.2 The Company's management must be aligned with the following rules of conduct:

(a) observance of provisions of law, regulations, company by-laws, and internal procedures and regulations relating to company bodies and corporate and financial operations of the Company;

(b) correctness, completeness, transparency, lawfulness and integrity of the data and accounting records of the Company; respect of laws, regulations and internal rules on the preparation of the Company's accounts, and of all economic and financial documents in general;

(c) lawfulness, correctness, completeness and transparency of relations with the control auditing authorities;

(d) transparency, correctness, truthfulness and completeness concerning the circulation of internal and external Company information and news;

(e) clarity, truthfulness and conformity with internal Company rules on external communications, specifically in relation to functional competences and proxies for relations with the press and media.

7.3 Recipients have an obligation to advise of any real or potential conflicts of interest, and to discuss the same with their supervisor(s) and/or internal referents of the Company, or at meetings of the Board of Directors.

7.4 Specifically, Company directors shall be responsible for reporting to the other directors and to the Auditors body all instances of conflict of interest concerning the Company's operations pursuant to article 2391 of the Italian Civil Code; in this regard it is reminded that breach of the rule shall result in the levying of the penalty provided for under article 2629 of the Italian Civil Code; which crime is also liable in terms of Company administrative responsibility pursuant to Legislative Decree 231/01.

7.5 Each approved activity, despite a real or apparent conflict of interest, shall need to be documented. A conflict of interests exists when personal interests or activities actually or potentially condition the ability to operate in the total interest of the Company. All forms of collaboration which should come into conflict with the responsibilities undertaken on behalf of the Company need to be avoided. Situations of conflict of interest include:

(a) Managing a business or company, having financial interests in a company operating in the same business sector;

(b) Recruiting own family members or create business with companies managed by own family members, or in which own family members carry out their job or have financial interests.

8. HANDLING OF WORK RELATIONS AND RESPECTING ENVIRONMENTAL AND HSE POLICIES

8.1 In addition to respecting the applicable principles governing labor law, Recipients have an obligation to help the professional development of each resource through:

(a) Respect of the personality and dignity of each individual, also during the selection process;

(b) Prohibition and prevention of discrimination and all types of abuse, such as, by way of example, discrimination on the basis of race, religion, membership to political parties or unions, language, sex, sexual orientation, age and handicap;

(c) Training/development that is suitable to each person's position;

(d) Definition of roles, responsibilities, proxies and availability of information allowing a transparent and effective allocation of competences, ensuring that each member of staff makes decisions that fall under his/her competence;

(e) Clear, accurate and truthful internal communication;

(f) Correct and confidential use of personal information;

(g) Work places and equipments that meet the safety and health needs of the persons who work there.

8.2 Recipients are obliged to respect the laws on immigration and in particular they are obliged not to recruit people coming from third countries, who are not in possession of a regular permit of staying.

8.3 Recipients are obliged to respect the laws on environment protection, with particular reference to waste and polluting material management.

8.4 Recipients need to strictly observe the Company's policies and/or procedures, which define, for each business unit – depending on the type of work carried out and assessment of the risks connected with such work – the structure, responsibility, objectives, actions and all other aspects related to the quality system and to work safety and health and to respect environmental laws.

8.5 In relation to environment, work safety and health, the Company's procedures guarantee respect of regulations pursuant to Legislative Decree 81/2008 and to Legislative Decree 152/06 through a suitable company system to protect the environment and the health of workers. To this end the Company guarantees:

(a) Respect of the technical-structural standards of law for work places, equipment, etc.;

(b) Timely and concrete work on the assessment of risks and the preparation of relative safety and prevention measures;

(c) An organizational activity for emergencies, first aid, periodical safety meetings, discussions with workers' representatives;

(d) An efficient health monitoring activity;

(e) Periodical and constant work towards development/training and information of workers and Recipients;

(f) Supervising the respect of safety procedures by workers and Recipients;

(g) Correct acquisition of documentation and certifications required by the law;

(h) Periodical checks on the respect of adopted procedures

8.6 The aforementioned work activities are implemented through a set of corporate functions that ensure respect of technical competences and necessary authority for risk checking, assessment, management and control, as well as a disciplinary system that is able to sanction any non-respect of the measures contained in the Model 231.

8.7 According to the activities carried on by each Recipient, the Company procedures need to be evaluated and presented to the same Recipient, to which is required to communicate and share the same procedures with all their employees, consultants and/or with partners subject to their surveillance or involved by the Recipients in order to carry on their activities for IMI Group. The Recipients must also grant the adoption of quality and safety standards that comply with those contained in the above mentioned policies.

9. HANDLING THIRD PARTY RELATIONS

9.1 In carrying out its activity the Company enters into work relations with numerous third parties, which parties must be considered Recipients of these "231 Guidelines".

9.2 The choice of third parties involved in the Company business activities must be carried out on the basis of criteria of professionalism, integrity, transparency and impartiality. Through their conduct such parties need to:

- (a) Protect the respectability and corporate image of the Company;
- (b) Comply with and respect the IMI Way and these "231 Guidelines";
- (c) Always comply with principles of lawfulness, correctness and good faith in their relations with the Company;

9.3 The following is also requested:

- (i) Objectiveness in the selection of suppliers and commercial partners and in the drafting of contractual conditions;
- (ii) Respect of the principles of lawfulness, correctness and transparency in activities and relations involving third parties, being them public or private entities;
- (iii) Respect of functional authorities in relation to expenditure powers and the observance of internal procedures governing purchasing and payments.

9.4 The Company reserves the right to terminate contracts with third parties whose conduct is incompatible with the IMI Way and with these "231 Guidelines".

10. RESPECT OF ANTI-MONEY LAUNDERING AND ANTI-TERRORISM NORMS AND FIGHTING INTERNATIONAL CRIME

10.1 Within the scope of their professional activity, Recipients are to prevent and avoid utilizing, transforming or hiding capital that is of an unlawful provenance.

10.2 With reference to such behavior, the substitution or transfer of money, goods and other assets whose origin is related to offences committed with a criminal intent, or the carrying out, in relation to such goods, of other operations so as to conceal the identification of their criminal provenance, shall be considered a criminal offence.

10.3 Recipients – even if not directly obliged to pursuant to Legislative Decree 231/2007 – must adopt their own internal procedures (or comply with the existing ones) for surveillance, control and communication to the competent supervising authorities of all suspected and actual infringements. The purpose of this is to prevent money laundering conduct or conduct which may lead to funding terrorist activities.

10.4 All conduct of a terrorist nature or conduct which is subversive to the democratic order of the country, or which may constitute or be connected with international crime related to criminal associations, including ones of a mafia type, money laundering, the use of money, goods or assets of unlawful provenance, forcing persons not to make statements or to make false statements to the judicial authorities, personal aiding and abetting, and conduct related to criminal associations involved in smuggling foreign produced tobacco and illegal drugs traffic, or the infringement of laws against clandestine immigration, is totally extraneous to the company and strictly prohibited.

11. PROPER HANDLING OF SO CALLED PRIVILEGED INFORMATION

11.1 Recipients – as well as Company directors, auditors, line managers and employees – who have access to so called "price sensitive" information (i.e. information and documents that are not in the public domain and which, if made public, would significantly influence the price of the financial instruments by any company of the

IMI Group listed on regulated markets) and business sensitive" information (i.e. information and documents concerning products, trademarks, suppliers, projects and the organization of the companies of the IMI Group), must keep such information strictly confidential, at least until the same shall not have been communicated to the market, as provided for under operating procedures and directives adopted by the issuing company according to the regulations of the competent supervising authority.

11.2 It should be noted that an "Abuse of privileged information" occurs when anyone who possesses such privileged information by virtue of his/her corporate office with the issuing company (e.g. a member of the Board of Directors, Board of Auditors, Internal Audit, etc.), ownership of company issued capital (e.g. shareholder), worker (e.g. member of staff or collaborator of the issuing company or of an associated, controlling or controlled company, bank, share brokerage companies (SIM), common investment fund managers (SGR), insurance companies, etc), or professional (e.g. lawyer, labor, tax, accounting or IT consultant), or in preparation or execution of criminal activities:

(a) purchases, sells or carries out other operations, directly or indirectly, for himself/herself or on behalf of a third party, on financial instruments using such privileged information;

(b) communicates such privileged information to others, outside of his/her normal work, profession, function or office;

(c) recommends or induces others, on the basis of such privileged information, to carry out any of the operations indicated above under letter (a).

11.3 The behavior described above is also punishable only as illicit administrative conduct. In such cases the responsibility extends to persons who, even if not occupying one of the qualified offices described by the criminal code (e.g. a member of the Board of Directors, Shareholder, Consultant, etc.), possess Privileged Information and, knowing so or being able to know so as a result of ordinary diligence, carry out any of the above actions.

11.4 All behaviour associated with "Market Abuse" crime, where this is understood to involve the distribution of false news or the staging of simulated actions or other contrivances to cause a significant alteration to the price of financial instruments is also prohibited. For example, market manipulation is carried out when means of information, including the internet and all other means, are used by a person to circulate misleading information, rumours or false news which give or may give false or misleading indications on financial instruments.

11.5 By way of example, other illicit behaviour contained in the rules under examination can be listed, such as: carrying out operations or sale and purchase orders which enable, through concerted action of one or more persons, to fix the market price of one or more financial instruments at an unusual or artificial level.

12. MANAGEMENT OF THE INFORMATION SYSTEM AND OF IT PROCEDURES

12.1 The Information Systems used by the Recipients in carrying out their work activity and/or profession must be used in full respect of the existing laws and of the Company internal procedures.

12.2 All improper use of the Company's information instruments leading to possible unauthorized access to third party information or computer systems, data interception, illicit prevention or interruption of communications, damage to information, data and private information programmes or programmes used by the state or other public Authority, or in any case of a public utility, and damage to private and public information and computer systems, is prohibited.

12.3 The unlawful possession and distribution of access codes to information and computer systems, the distribution of equipment, devices or software programmes aimed at damaging or interrupting information or computer systems, and the installation of equipment to intercept, impede or interrupt information or computer communications is also prohibited.

13. REPORTING AND EXCHANGE OF INFORMATION WITH THE SUPERVISING BOARD (ODV-ORGANISMO DI VIGILANZA)

13.1 All infringements to these "231 Guidelines", IMI Way or "Model 231" (including the operating procedures of the same) must be immediately reported to the Company Supervising Board. The address to which report is the following:

Email: odv231@stistrumentazione.com

Writing to:
STI S.r.l.
Supervisory Board
Att. Mr Ermelindo Lungaro
Via dei Caravaggi, 15
24040 - Levate, Bergamo (Italy)

13.2 Information flows from and to the Supervising Board shall also need to be ensured and all forms of inspection and reviewing by the Supervising Board and by the Company shall need to be supported, in compliance with assigned authorities and powers.

13.3 Unauthorized informing, defamation, and false reporting made solely for purpose of damaging the reported person or the Company, are prohibited and shall be punished.