

CODE OF ETHICS

Cementir Holding S.p.A.

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Code of Ethics

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1 INTRODUCTION

1.1 Purpose

The Cementir Group, which comprises Cementir Holding SpA (the Parent Company) and its subsidiaries (the “Group¹”), has adopted this Code of Ethics (the “Code”) in order to ensure that its activities and conduct of business are compliant with the laws and regulations of the countries in which it operates, within a framework of integrity, propriety and confidentiality.

The Code seeks to reconcile the Group’s pursuit of competitiveness in the market with respect for the rules of competition by promoting the appropriate use of resources from a point of view of social responsibility and environmental protection.

The corporate bodies, management, employees, external associates (such as, for example, consultants), as well as any and all other parties who may participate in any way whatsoever in carrying out the activities of the Group (the “Relevant Parties”) must observe this Code.

The Cementir Group is actively committed to disseminating the Code, to fostering its full application and to ensuring that is continuously updated to reflect the economic, financial and commercial development of the activities of the Cementir Group, any changes in the Group’s organizational or management structure and the types of violations encountered in during monitoring activity.

To achieve this objective, Cementir Group employees shall perform their duties in compliance with the highest standards of business conduct as established in this Code and in the procedures to which it refers.

The Code is a guide and support tool for all employees, enabling them to pursue the mission of the Group in the most effective manner possible.

The Code is a fundamental element of the internal control model, which the Cementir Group is committed to strengthening and developing on an ongoing basis.

In view of the foregoing, the Group:

- guarantees the timely dissemination of the Code to the entire Group and to all Relevant Parties;
- guarantees that all of the Relevant Parties covered by the Code will be informed of any updates and amendments in a timely manner;
- provides adequate training and information, giving appropriate support in the event of doubts regarding the interpretation of the Code;
- guarantees that the employees who report a violation of the Code shall not be the object of any form of retaliation;
- adopts disciplinary measures that are fair and proportionate to the type of Code violation and undertakes to apply them without discrimination to all employee categories, taking account of the provisions of law, contract and internal rules applicable in the jurisdictions in which the Group operates;
- makes periodic checks to ascertain compliance with the provisions of the Code.

The Group welcomes and encourages constructive comments regarding the content of the Code on the part of employees and third parties.

The Group takes steps to ensure that the principles of the Code are shared by consultants, suppliers and any other parties that conduct ongoing business with the Group.

The Group will not establish or continue business relationships with anyone who expressly refuses to comply with the principles of the Code.

Even where only one of the provisions of the Code should be in conflict with the provisions of the internal rules or other procedures of the Group, the Code shall prevail over any such provision, without prejudice to the application of mandatory regulations in the countries in which the foreign subsidiaries operate.

1.2 Guide to using the Code

The Code is approved by the Board of Directors of Cementir Holding S.p.A., which determines the conduct of business principles for the Group as well as the obligations and responsibilities of employees.

The Code represents the Group’s plan for ensuring the effective prevention and detection of violations of the laws and regulations applicable to its activity.

¹ For the purposes of this Code, “Group” shall mean Cementir Holding SpA and its subsidiaries pursuant to Art. 2359 of the Italian Civil Code, as well as the other controlled companies pursuant to Art. 26 of Legislative Decree 127 of 9 April 1991.

The Code applies to the members of the Board of Directors of Cementir Holding S.p.A., all of the employees of the Group companies and all the other parties of any nature that operate in the name and on behalf of one or more of Group companies.

The Group takes steps to ensure that the companies in which it holds a minority interest adopt a code of conduct whose principles are based on those in this Code or in any case do not conflict with them in any manner.

The Group takes steps to ensure that the Code is considered a standard of best practice for business conduct by the parties with which it has an ongoing business relationship, such as consultants, experts, agents and trading partners.

The Code is applied in Italy and all the other countries in which the Group operates.

The Code is made available to all employees in an accessible location using the most appropriate methods in compliance with regulations and local practice. It is also available on the Group website (www.cementirholding.com) and can be downloaded without restriction.

The Code is subject to revision by the Board of Directors of Cementir Holding S.p.A.

Revision shall take account of the comments received from employees and other parties as well as developments in the regulatory framework and established international practice and the experience acquired in the application of the Code itself.

Any amendments of the Code made following revision shall be published and made available using the procedures outlined above.

2 GENERAL PROVISIONS

2.1 Relevant Parties and the scope of application

This Code of Ethics (hereinafter the “Code”) shall apply to directors, the members of the various corporate bodies of all the Group companies, all the personnel employed by Group companies and all parties that directly or indirectly have an ongoing or temporary relationship with the Group or, in any case, work in pursuit of its objectives in all of the countries in which the Group operates. Managers have primary responsibility for lending substance to the values and principles contained in the Code, taking responsibility both internally and externally and strengthening trust, cohesiveness and team spirit. The employees of the Group, in due compliance with applicable laws and regulations, shall ensure that their conduct complies with the principles, the objectives and the obligations set out in the Code. In establishing business objectives, the members of the boards of directors shall act in harmony with the principles of the Code. All of the actions, operations and negotiations carried out and, in general, the conduct of the employees of the Group in the performance of their duties shall be characterized by the highest degree of propriety in management, by the completeness and transparency of information, by formal and substantive legitimacy, and by the clarity and veracity in the accounts in compliance with applicable regulations and internal procedures. Employees shall perform their professional duties at a level appropriate to their assigned responsibilities and shall act in a manner that preserves the prestige and image of the Group.

The Code constitutes an integral part of the employment relationship. Compliance with the provisions of the Code is as an essential obligation of the employees of Group companies. Violation of the provisions of the Code may constitute a breach of the primary obligations of the employment relationship or a disciplinary infraction, subject to all statutory penalties, including as concerns the continuation of the employment relationship, and may result in action for the recovery of damages caused by such violations. For Relevant Parties who are not Group employees, compliance with the Code is a necessary condition for the continuation of the existing relationship with the Group.

2.2 Implementation of the Code

Compliance with the principles of the Code is an essential part of the contractual obligations of the Group pursuant to and for the purposes of applicable legislation.

Pursuit of the Group’s interest may no way compromise compliance with such principles.

Directors and senior management have an obligation to provide a leading example of consistency between the principles of the Code and their daily conduct.

The competent units for the correct implementation, control and updating of the contents of the Code of Conduct are identified for every company of the Group.

In particular, the Parent Company has designated its Supervisory Body, appointed under the provisions of Legislative Decree 231/01, as the body to supervise the application of the Code at the Parent Company, establishing this Code as an integral and substantive part of the compliance model developed by the Parent Company in implementation of the provisions of Legislative Decree 231/2001 concerning corporate liability for illegal acts committed by employees.

As a consequence of the foregoing and in compliance with the aforementioned regulations, the Parent Company has established a Supervisory Body ("SB") responsible for supervising the effective operation of the compliance model and, therefore, the implementation of the principles contained in this Code.

Specifically, the SB must:

- a) coordinate all of the initiatives directed at the application of the Code;
- b) recommend appropriate updates of the Code;
- c) coordinate control actions and recommend related sanctions should an irregularity be detected;
- d) continuously monitor the correct application of the Code.

All Relevant Parties are required to familiarize themselves with the contents of the Code, to actively contribute to its implementation and to report any shortcomings to the competent function. To fully comply with the Code, employees who becomes aware of a situation that actually or potentially represents a material violation of the Code must promptly report such situation both to their direct superior and to one of the bodies of indicated below.

All employees are required to be aware of the provisions contained in the Code and the rules governing the activities performed in the context of their function. Group employees are required to: (i) refrain from conduct contrary to such rules; (ii) contact their superior or the SB should they require clarification on how to apply such rules; (iii) promptly report to their superior or the SB any information acquired directly or obtained from others regarding a possible violation or any request made to violate the rules. All managers of a Company unit/function are required to: (i) provide a good example for their colleagues through their conduct and to encourage colleagues to comply with the Code and relevant procedures; (ii) operate in such a manner that colleagues understand that compliance with the provisions of the Code, as well as safety procedures and rules, is an essential part of the quality of their work; (iii) carefully select, within the scope of their responsibilities, internal and external associates in order to prevent assignments being given to persons who cannot be relied upon to comply with the provisions of the Code and procedures; (iv) immediately adopt corrective measures where the situation so warrants.

Within the framework of their relations with external parties, all Group employees, depending on their responsibilities, shall: (i) adequately inform such parties of the commitments and obligations imposed by the Code; (ii) insist on compliance with the requirements that directly involve their activity; (iii) take appropriate internal initiatives and, if it lies within the scope of their responsibility, external initiatives in the event of non-compliance with the provisions of the Code on the part of such parties.

Any Group employee or other associate who has a legitimate suspicion that acts or conduct in violation of the law or the provisions of the Code of Ethics have occurred shall report such circumstance in the manner described below (see section 2.5).

All Relevant Parties shall cooperate with the SB in the performance of its duties, providing unrestricted access to all documentation it should deem relevant.

2.3 Dissemination of the Code and training

The Parent Company: (i) disseminates the Code to the Relevant Parties; (ii) updates the Code in reflection of evolving standards of civic awareness and developments in applicable laws and regulations; (iii) performs checks in response to all notifications of a violation of the provisions of the Code; (iv) assesses the facts and consequently implements appropriate sanctions should a violation be confirmed; (v) ensures that no one is subjected to retaliation of any type whatsoever for having supplied information regarding possible violations of the Code or applicable regulations.

In order to ensure full understanding of the Code, the companies of the Cementir Group shall organize suitable communication and awareness activities (company intranet, bulletin boards, etc.).

2.4 Violations and sanctions

Violations of the provisions of the Code damage the relationship of trust established with the Cementir Group and may lead to the imposition of appropriate disciplinary measures, regardless of whether any of civil or criminal court action is taken. In the most serious cases, failure to comply with the Code may constitute just cause for the termination of employment or immediate revocation of the engagement. In the latter case, the Group companies shall be entitled to compensation for any losses or harm suffered as a result of the illegal conduct.

The SB will immediately initiate an enquiry into any alleged and/or potential violation of the Code and any related procedure.

All reports will remain confidential, in compliance with the interests and legal obligations of the Group.

The SB shall be in charge of all internal enquiries.

No party subject to this Code may personally conduct investigations.

2.5 Doubts and reports

Within the Group, the relationship between the Company and its employees and other associates has always been based on direct dialogue.

Employees and other associates requiring clarification concerning the Code of Ethics should contact their manager or the SB.

The Group has also established the following email address, **ODV@cementirholding.it**, held by the SB to which reports can be submitted in order to guarantee maximum confidentiality.

The Company guarantees full confidentiality regarding the identity of the person making the report as well as protection from any type of retaliation.

All reports submitted in good faith will be duly investigated, and if a violation is ascertained the measures deemed most appropriate in compliance with the specified procedures will be adopted.

3 PRINCIPLES OF ETHICS AND CONDUCT

3.1 General rules of conduct

The companies of the Cementir Group shall conduct their activities in compliance with the principles of legitimacy, fairness, propriety and transparency.

In particular, the Relevant Parties to which the Code is addressed shall perform their functions with propriety and transparency, thereby contributing to the effectiveness of the internal control system and safeguarding the value of the Group.

In compliance with the provisions of law, the conduct of employees and other associates shall be characterized by cooperation with shareholders, the Board of Auditors, the other company bodies, the auditing company and the regulatory authorities.

In commercial or promotional relationships, the Relevant Parties shall also perform their actions in conformity with the policies of the Group. Such actions may never involve conduct in violation of the law, regulations or company procedures adopted for individual functions, even such actions are carried out in pursuit of the Group's corporate purpose.

Each transaction and/or activity must be legal, authorized, consistent, documented, verifiable and in compliance with the principle of traceability and with corporate procedures, in accordance with the standards of prudence and in protection of the interests of the Cementir Group:

- corporate procedures shall permit controls of operations, authorization processes and the execution of the transaction itself;
- all employees and other associates who carry out transactions involving sums of money, goods or other assets with economic value belonging to the Company shall provide appropriate evidence to enable verification of such transactions.

3.2 Business ethics and conflict of interest

The Cementir Group feels that compliance with the rules of ethics and transparency in conducting business are a necessary condition as well as a competitive advantage in the pursuit and achievement of its objectives, which consist in the creation and maximization of value for shareholders, those who work in the Cementir Group and customers and the community as a whole. The companies of the Group shall create an environment characterized by a strong sense of ethical integrity, as we believe that this makes a decisive contribution to the effectiveness of the policies and control systems. Therefore, corruptive practices, illicit favours, collusive conduct and the soliciting of personal benefit for oneself or others are explicitly prohibited.

The Cementir Group, its employees and the other Relevant Parties covered by the Code are expected to meet the highest standards of integrity, honesty and propriety in all relationships, both within and outside the Group.

No employee may directly or indirectly accept, solicit, offer or pay any sum of money or transfer other assets or benefits (including gifts or donations, with the exception of commercial objects commonly accepted at the international level) even in response to illegal pressure.

The Group will not tolerate any type of corruption with respect to public officials or any other party connected to or associated with public officials, in any form or manner whatsoever, in any jurisdiction whatsoever, including those where such activity is a permitted practice or is not prosecuted.

Employees or other Relevant Parties may not offer commercial gratuities, gifts or other benefits that may be in violation of laws or regulations, that conflict with this Code or which may, if made public, cause harm to the Group, even if only in terms of its image.

In addition, employees and other Relevant Parties (and their relatives) may not accept gratuities, gifts or other benefits that may compromise their independence of judgement. For such purpose, all employees and Relevant Parties must avoid situations in which personal interests may conflict with the interests of the Group.

Accordingly, any situation that might give rise to a conflict of interest must be reported to a superior, in the case of employees, or to an internal contact, in the case of a third party, as well as to the SB. Examples of situations that may give rise to a conflict of interest include: 1. having an economic or financial interest (possessing a significant number of shares, professional engagement, etc.), including through relatives, with customers, suppliers or competitors; 2. performing work, including on the part of relatives, on behalf of customers, suppliers or competitors; 3. accepting money, gifts or benefits of any nature whatsoever from persons, businesses or other entities that have or intend to have a business relationship with the Group; 4. using one's position in the Company or information acquired in the performance of one's duties in a manner that may create a conflict between personal interests and those of the Company; 5. acquiring or selling shares (of Group or non-Group companies) when, as part of their duties, employees possess material information that is not yet in the public domain. In any event, transactions in shares of Group company on the part of Relevant Parties shall always be implemented with full transparency and propriety, in compliance with statutory market disclosure requirements.

3.3 Competition, money laundering and export controls

The Cementir Group considers competition to be an indispensable instrument for the development of the economy and therefore complies with the applicable national, Community and international regulations in the areas in which it operates.

Within the framework of fair competition, the Group shall not knowingly violate the intellectual property rights of third parties. The Cementir Group and its employees shall never perform or be otherwise involved in activities that may involve the laundering (that is, receiving or handling) of money generated by criminal activity in any form or manner whatsoever.

The Group and its employees shall assess in advance any available information (including financial information) on its commercial and supplier counterparties for the purpose of ascertaining their integrity and the legitimacy of their activity prior to establishing any business relationship with them.

The Group shall comply without exception with anti-money-laundering laws in all competent jurisdictions.

The Group shall guarantee that its business activities are performed in such a manner as avoid violation under any circumstances of the international embargo laws and export controls in force in the countries in which the Group operates.

Where embargo laws conflict, having obtained the opinion of the Legal department, the issue must be submitted for decision by the legal representative of the Group company concerned.

3.4 Confidential information and the protection of privacy

The knowledge developed by the Cementir Group is a key resource that all employees and Relevant Parties must safeguard. Improper disclosure of such knowledge could harm the Group's assets or its image.

Accordingly, employees and other Relevant Parties shall not divulge to third parties any information regarding the technical and commercial knowledge of the Group, as well as any other private information concerning the Group, unless such disclosure is required by law or by other regulatory provisions or where it is expressly provided for in contractual agreements under which the counterparties have undertaken to use such information exclusively for the purposes for which such information is being transmitted and to preserve its confidentiality.

The confidentiality requirement outlined in the Code remains in effect even after the termination of the employment relationship.

The following is considered confidential information: work plans (commercial, industrial and strategic plans), information concerning know-how and technological processes, financial transactions, investment and disinvestment strategies, operating results, personal information on employees and lists of customers, suppliers and other associates.

Any time a request for confidential information is made by external parties, the Relevant Parties covered by this Code shall forward such request to the competent company representative, refraining from directly or indirectly providing such information.

With regards to the types of confidential information, particular importance is given to "price sensitive" information, i.e. information whose improper or unauthorized disclosure could materially affect the price of financial instruments.

Pursuant to applicable Italian law, the Parent Company has adopted a specific procedure to govern price sensitive information regarding the Group in order to prevent disclosure in a selective, untimely, incomplete or inadequate manner. In compliance with the most recent statutory provisions introduced in Italy, the Parent Company has adopted a procedure for internal dealing to govern legally-binding disclosure requirements and the restrictions on transactions in shares of the Parent Company and other financial instruments on behalf of specified "relevant persons" (including managers, the main shareholders of the Company and parties closely tied to them).

As part of the performance of its business activities, the Cementir Group collects a significant quantity of personal data and confidential information that it is required to process in compliance with all applicable laws in the jurisdictions in which it operates and in accordance with best practices in the protection of confidentiality.

To this end, the Group guarantees high level of security in the selection and use of its information systems involved in the processing of personal data and confidential information.

Accordingly, Cementir Group companies shall safeguard (in full compliance with national legislation regarding privacy protection or with local laws in this area for the foreign companies) the information acquired, held or used in the performance of its activities, in order to prevent any unlawful, or even merely inappropriate, use of such information.

With regard to ensuring the regular operation of the market, the intentional release of false information both within and outside the Group, concerning the Group itself or its employees and other associates, is prohibited.

It is also prohibited to undertake operations aimed exclusively at influencing the financial market, thereby provoking an artificial increase or decrease in the prices of shares or other financial instruments.

3.5 Protection of the individual

In the countries in which it operates, the Cementir Group recognizes the central role of its human resources, who are called upon to operate with professionalism, dedication, loyalty, honesty and a spirit of collaboration.

The Group offers all employees the same opportunities and expressly prohibits any form of abuse by persons in positions of authority or management. Abuse is understood to include any conduct consisting of requesting, or inducing to offer, services, personal favours or other benefits that are detrimental to the dignity, professionalism or autonomy of another person.

For this purpose, all acts of psychological violence, attitudes and conduct that are discriminatory and/or detrimental to an individual, or to the individual's convictions, beliefs or preferences are strictly prohibited.

All forms of sexual harassment are condemned, including, for example:

- subordinating important decisions regarding the career or working life of the person involved to the provision of sexual favours;
- proposing private interpersonal relations notwithstanding the explicit or possible absence of consent by the person involved, which – in relation to the specific circumstances – is likely to upset such person with objective repercussions for working conditions;
- conduct or discussions of a sexual nature that may in any manner disturb the sensitivity or modesty of an individual.

The Relevant Parties covered by this Code, as provided for by national and international regulations, shall abstain from engaging in unlawful conduct such as crimes against individuals, trafficking in human beings and child pornography. Specifically:

- Enslaving persons or keeping them in slavery or servitude;
- Prostitution involving minors;
- Pornography involving minors;
- Possessing pornographic material;
- Participating in tourism for the purpose of exploiting prostitution involving minors;
- Trafficking in human beings;
- Purchase and sale of slaves.

The Cementir Group performs its activities in compliance with applicable national and international legislation concerning the protection of working conditions, respecting human dignity by fostering a culture of health and safety in the workplace, disseminating information designed to heighten awareness of risks and making individuals accountable for their conduct.

In compliance with the applicable national and international law, employees of the Cementir Group and other associates shall not engage in any actions that might facilitate the commission of illegal acts associated with terrorism and the subversion of the democratic order.

The Cementir Group and its employees are strongly committed to acting in a socially responsible manner, respecting the essential values of a clean environment and a healthy and safe workplace, while ensuring that the culture and traditions of each country in which it operates are observed and respected.

In compliance with the Conventions of the International Labour Organization (ILO), the Group shall not hire minors or employ persons of an age below that established for starting work by the regulations in the place in which employment is granted and, in any event, not below fifteen years of age, without prejudice to the exceptions expressly provided for by international agreements and any applicable local legislation. The Group also undertakes not to establish business relationships with suppliers that employ minors as defined above.

3.6 Protection of company assets

All Relevant Parties are responsible for safeguarding the resources entrusted to them. They are required to promptly inform the appropriate bodies of any harmful events or threats to the Group. In particular, Relevant Parties shall: a) act with diligence to protect company assets by means of responsible conduct in line with the operating procedures governing the use of such assets; b) avoid improper use of corporate assets that may cause damage, reduce their efficiency or, in any case, conflict with the interests of the company; c) obtain the necessary authorization where a corporate asset will be used for non-business purposes.

The increasing dependency on information technology makes it necessary to ensure the availability, security, integrity and maximum efficiency of this category of asset. All Relevant Parties are required to: i) avoid sending electronic mail messages that are threatening or insulting, use vulgar language or express inappropriate or undesirable comments that might be offensive to people and/or harm the company image; ii) avoid spamming or “chain letters”, which can generate a volume of data and processing flows over the corporate data network sufficient to significantly reduce the efficiency of the network, with an adverse impact on productivity; iii) avoid visiting Internet sites with indecent or offensive content; iv) strictly comply with the provisions of corporate security policies in order to avoid compromising the functionality and protection of the information system; v) refrain from loading borrowed or unauthorised software on the company system or making unauthorized copies of a licensed program for personal, corporate or third-party use. The voluntary or involuntary use of these assets for any purpose other than corporate activities may cause serious harm (economic, image, competitiveness, etc.) to the Cementir Group, with the aggravating circumstance that improper use may give rise to the criminal and administrative penalties for any offences and the need to apply disciplinary measures to the persons involved.

3.7 Protection of health, safety and the environment

The Cementir Group believes that the full compatibility of its activity with the territory and the surrounding environment is a primary condition for the acceptability of its plants, its operating activity and the achievement of its growth objectives.

Therefore, the Group is constantly committed to ensuring that operations are conducted with full respect for the health and safety of employees and third parties, as well as the environment in the broadest sense.

In particular, thanks in part to the active contribution of its employees, the Cementir Group:

- promotes and implements every reasonable initiative to minimise the risks and remove the causes that may endanger the safety or the health of employees as well as those present in the area where the its operations are carried out;
- devotes close and continuous effort to improving its performance in the environmental field by reducing emissions in the atmosphere, water and soil as well as making responsible and informed use of natural resources;
- evaluates environmental and social impacts before undertaking new activities or introducing modifications and innovations to processes and products;
- develops constructive collaborative relationships characterized by full transparency and trust both internally and with local communities and institutions regarding the management of health, safety and environmental issues;
- maintains high security and environmental protection levels by adopting management systems that have been developed and certified in accordance with internationally recognised standards;
- maintains high security and environmental protection levels by adopting effective management systems;
- continues to dissemination information, develop awareness and conduct targeted training in view of the need for the active contribution of all employees if the above objectives are to be achieved.

No employee of the Group may put other employees in a situation of unnecessary risk that may jeopardise their health or physical safety.

All of those that work for the Group are responsible for the proper management of health, safety and the environment.

The Group adopts an effective environmental management system that is compliant with the applicable national and international regulations in this field.

The Group provides specific information on the implementation of its environmental policies in its annual Environmental Report.

3.8 Administration and accounting

The Group complies with the laws and, in general, all applicable regulations concerning the drafting of the financial statements and all other types of mandatory administrative-accounting documentation.

Accounting documentation and records must comply without exception with the principles of veracity, propriety, clarity and completeness of information.

Consequently, employees must

- represent operational events in a manner that is complete, transparent, truthful, accurate and timely, also with a view to facilitating the overall accounting process and ensuring compliance with the established procedures;
- record all financial operations correctly and without omissions;
- conserve appropriate documentation for each transaction so as to facilitate the verification/reconstruction of the decision-making and authorization processes, the latter on the basis of the appropriate level of responsibility;
- store such documentation in a logical manner so as to enable easy access;
- allow the performance of controls that verify the characteristics and reasons for transactions;
- provide the auditors and the internal control bodies with the necessary information in a truthful and complete manner.

Group employees who have direct knowledge of omissions, falsification or negligence concerning accounting procedures or the documentation on which accounting records are based shall report this information to the Supervisory Body.

All Relevant Parties shall cooperate fully in order to ensure that operational events are represented correctly and in a timely manner in the company accounts.

3.9 Controls

The Cementir Group is committed to maximizing long-term value for its shareholders.

In support of this commitment, the Group has adopted high standards of financial planning and control and accounting systems that are compliant with, and adapted to, the accounting standards applicable to the Group companies.

In implementing these practices, the Group shall operate with full transparency in line with best business practices:

- ensuring that all transactions are duly authorized, verifiable, legitimate and consistent with each other;
- ensuring that all transactions are adequately recorded and accounted for in compliance with best current practices and are appropriately documented;
- ensuring the maximum propriety and transparency in managing transactions with related parties in compliance with the "Procedure for Related Party Transactions" adopted by the Board of Directors of the Parent Company;
- preparing periodic financial reports that are complete, accurate, reliable, clear, understandable and available in a timely manner;
- building awareness and informing employees on the existence, purpose and importance of internal controls;
- analyzing and managing with professional diligence the business risks associated with all the activities of the Group;
- establishing rigorous business processes which ensure that management decisions (including those concerning investments and disposals) are based on a solid economic analysis that includes a prudent assessment of risks and ensures that company assets are used in an optimal manner;
- ensuring that decisions regarding financial, fiscal and accounting issues are made at an appropriate level of management;
- preparing the documentation to be submitted to market regulators or to be released to the public in a timely manner, and ensuring that such documentation is complete, accurate, reliable, clear and understandable.

The Group attributes primary importance to internal controls for sound management and the success of the Group itself. To this end, the Board of Directors of the Parent Company has established an Internal Control Committee.

The Group works to establish processes designed to ensure that the relevant employees have the necessary training and experience for the purpose of creating and maintaining an efficient internal control system.

The irregular keeping of the accounting books constitutes a violation of the Code and is considered illegal in almost every legal system. Accordingly, no employee may take action or permit omissions that could lead to:

- the recording of fictitious transactions;
- the recording of transactions in a manner that is misleading or not sufficiently documented;
- the failure to record commitments, even if only guarantees, that could result in liabilities or obligations for the Group companies.

The Internal Audit function, as part of an audit programme or in response to a request from the top management of the Group companies, shall examine the quality and effectiveness of the internal control system and report its findings to the other delegated bodies.

Group employees shall provide support to the auditing of the quality and effectiveness of the internal control system. Internal Audit, the Board of Auditors, the external auditing firm and the managers in charge of the internal control system shall have full access to all information and documentation necessary to perform their duties.

Employees who are asked to collaborate in the preparation and presentation of documentation for the regulatory authorities or the public shall ensure, within the scope of their responsibility, that such documentation is complete, accurate, reliable, clear and understandable.

The Group intends to foster the creation of a culture all levels of the organization that is aware of the importance of an adequate system of internal control. The Cementir Group believes that the internal control system must facilitate the achievement of its corporate objectives and therefore must be directed at improving the efficiency and effectiveness of productive and management processes. All Relevant Parties are responsible, within the scope of the functions they perform, for the proper operation of the internal control system.

4 Rules of ethics governing dealings with non-Group parties

4.1 Customers

The Cementir Group pursues its success in international markets by offering high quality products and services on competitive terms and conditions and in compliance with competition regulations.

Within the scope of customer relationships and in compliance with internal procedures, all Relevant Parties shall pursue maximum customer satisfaction by providing, among other things, complete and accurate information regarding the products and services which they supply in order to enable informed choice.

Employees shall follow the internal procedures of their respective Group company, which are directed at achieving this objective by way of developing and maintaining fruitful ongoing relationships with customers, offering security, assistance, quality and value sustained by continuous innovation.

In their relations with customers, Group companies shall avoid unfair discrimination in their negotiations and must not make improper use of their bargaining power to harm any customer.

Satisfaction of customer needs is a priority objective for the Group, whether the customer is a public or private party, partly with a view to creating a solid relationship based on the general values of propriety, honesty, efficiency and professionalism. Contracts entered into with customers, all communications addressed to them and advertising shall be characterized by simplicity, clarity and completeness, avoiding recourse to any form of deceptive and/or unfair practice.

4.2 Suppliers and outside consultants

The Cementir Group establishes relationships with its suppliers in compliance with applicable laws and regulations and the principles set out in this Code, adopting the highest professional standards, best practices in ethical matters and the protection of health, safety and the environment.

The selection of the suppliers and the formulation of purchase terms for goods and services for Group companies are dictated by the values and parameters of competition, objectivity, propriety, impartiality, fair price setting and the quality of the goods and/or services, with a careful evaluation of assistance guarantees and the range of offers available in general. Purchasing processes are characterized by the pursuit of the maximum competitive advantage for the Group as well as fairness and impartiality in dealings with each qualified supplier. The collaboration of suppliers must also be sought to ensure that the needs of the Group's customers are satisfied in terms of quality and delivery times. The award of a contract to a supplier must always be based on a fully transparent relationship, avoiding, where possible, the assumption of contractual obligations that create a relationship of dependency on a given supplier.

The selection of suppliers and external consultants is based on competence, value for money, transparency and propriety. All remuneration in any form paid on whatever basis to suppliers or for professional services shall be adequately documented, proportionate to the activity performed and in line with market terms and conditions.

4.3 Gifts to customers, suppliers and consultants

In business relationships with customers, suppliers and consultants, all gifts, benefits (direct or indirect), gratuities, acts of courtesy and hospitality are prohibited unless they are of such a nature and value that they do not compromise the image of the Cementir Group and cannot be interpreted as an attempt to obtain preferential treatment. In any event, the offer of gifts to the above parties must be notified in advance to the head of the function involved and approved by the same.

4.4 Contributions and sponsorships

The Cementir Group is available to provide contributions and sponsorships in compliance with defined procedures, for which appropriate publicity shall be provided, in order to support initiatives proposed by public and private entities and non-profit associations duly established pursuant to the law that promote the values on which this Code is based.

Sponsorships and contributions may regard events and initiatives of a social, political, cultural, sporting and/or artistic nature. They may also be used to support studies, research, conferences and seminars addressing issues of interest to the Group.

4.5 Relations with government and other public institutions

Relations between the Cementir Group and government departments, institutions, regulatory authorities, public officials or parties charged with the performance of a public service must comply with applicable legal and regulatory provisions and may not in any manner compromise the integrity or the reputation of the Group. The assumption of commitments and the management of relations of whatsoever nature with government departments, public officials or parties charged with the performance of a public service shall be the exclusive responsibility of specific corporate functions and authorized personnel. In any event, such parties shall carefully retain all documentation relating to occasions where the Cementir Group enters into contact with government.

Relevant Parties shall refrain from:

- offering, including through an intermediary, money or other benefits, which may also include employment or commercial opportunities, to public officials, their family members or parties that may be connected to such officials in any manner;
- unlawfully seeking or establishing personal relationships for favours, influence or interference that, directly or indirectly, affects the outcome of the relationship.

Relevant Parties shall comply promptly with all requests from the above institutions or authorities, giving their complete cooperation and refraining from any obstructive conduct.

The Cementir Group shall not seek to obtain any advantages from relationships with government departments or national or international public bodies except through the lawful award of contracts based on lawful measures, or through economic awards of any form duly obtained and used for the purposes for which they are granted.

The persons designated by the Group to perform any type of negotiation, request or institutional relationship with Italian or foreign government departments shall for no reason attempt to inappropriately influence their decision or engage any unlawful conduct, such as the offering of money or another benefits, that could affect the impartiality of judgement of the representative of such government department.

The use of counterfeit or false declarations or documents or the omission of information or, in general, the use of deception or other contrivances to obtain concessions, authorizations, financing or contributions from the European Union, the government or other public entities likewise constitutes wrongful conduct.

It is prohibited to alter the operation of the information systems or electronic networks of government departments or national or international public bodies. It is also prohibited to manipulate the data contained therein in order to obtain an unfair advantage.

4.6 Relations with political organizations and trade unions

The Cementir Group does not make direct or indirect contributions in any form whatsoever to political or union organizations, or to their representatives or candidates, with the exception of those required on the basis of specific regulations.

The Group may cooperate, including on a financial basis, with parties, movements, committees, associations or other organizations of a political or union nature exclusively in relation to specific projects that meet the following requirements:

- objectives that are related to the corporate purpose;
- clear and documentable use of the resources;
- express authorization from the legal representative of the Group company in question;
- notification to the Supervisory Body.

The contributions made pursuant to this paragraph must be disbursed in a manner that strictly complies with applicable laws and regulations. The related records must be adequately documented.

Any contributions on the part of Group employees, as well as any activity carried out by them, shall be understood to have been made on an exclusively personal and voluntary basis.

4.7 Relations with shareholders – Corporate governance

The Cementir Group aims to leverage its share capital, seeking to reward risk taking in an adequate manner in order to enhance the medium/long-term sustainability of the business in accordance with the rules of the marketplace and in compliance with the principles of propriety and transparency.

The Cementir Group safeguards and acknowledges the prevalent interest of the Company and those holding an investment in its share capital (partners and shareholders) as a whole compared with the specific interests of individual partners, shareholders or groups of the same.

The Cementir Group is committed to guaranteeing equality of treatment for all categories of shareholder, refraining from preferential conduct.

The advantages of belonging to a group of enterprises are pursued in compliance with applicable regulations and with respect for the interest of each company in the profitability of its individual activities and the creation of value for their shareholders.

To act “with integrity” towards our shareholders means being aware of the major responsibility associated with the trust placed in us.

This responsibility requires us – along with management that is irreprehensible and compliant with the law – to disclose information in a transparent, timely and exhaustive manner.

The Cementir Group refrains from any action or conduct intended to compromise the integrity of share capital and non-distributable reserves, enable the fictitious formation of capital, permit the unwarranted distribution of profits or return of contributions or create a majority at the shareholders’ meetings to obtain an unfair advantage for itself or others.

The Parent Company adopts a system of corporate governance that conforms with applicable regulations, the recommendations and the rules laid down in the Corporate Governance Code for listed companies prepared by Borsa Italiana (the Italian Stock Exchange) and the best practices in this field. The corporate governance system defines the principles of sound management for the purpose of increasing the reliability of the Group, safeguarding all its partners, shareholders and other stakeholders.

4.8 External relations

The Cementir Group believes that compliance with the principles and values outlined in the Code of Ethics must also be the primary feature of relations even with parties with whom the Group has no contractual relationship. More specifically, relations with public institutions and safeguarding the interests of Cementir before such institutions shall be managed by the corporate function responsible for such relations or by the persons so delegated.

If, in relations with public institutions, the Cementir Group should utilize consultants or third-party representatives, these parties must act in compliance with the Code of Ethics.

The Cementir Group recognizes the primary importance of clear and effective communications in internal and external relations, as communication and external relations directly and indirectly affect corporate development.

Accordingly, such activity shall be organized in accordance with clear, uniform criteria that consider the needs of the various business lines as well as the economic and social role of the Group as a whole.

The provision of information to the public must in any event be timely and coordinated at the Group level so as to obtain all the benefits associated with the size and potential of the Group.

The employees charged with the public disclosure of information concerning sectors or Group companies, business lines or geographical areas in the form of speeches, participation in conferences, publications or any other form of presentation shall comply with the instructions issued by the Group and receive, where necessary, the prior authorization from the corporate entity designated for this purpose or from the manager responsible for external communication.

Information must always be supplied to the financial markets and regulatory bodies in a timely, accurate, complete, correct, clear and understandable manner and in any event in compliance with the applicable laws in the jurisdiction involved.

Such communication shall be managed exclusively by employees specifically responsible for communication to the financial markets and the regulatory authorities.

Communication to the media plays an important role in developing the image of the Cementir Group. Accordingly, all information regarding the Group must be provided in a truthful and uniform manner and shall only be distributed by the employees responsible for media communication.

No other employees may provide information regarding the Group to representatives of the media or have any type of contact for the purpose of disseminating confidential company information. Any questions from the media shall therefore be forwarded to the competent person or function.

5 IMPLEMENTATION AND GUARANTEES

The Cementir Group is committed to achieving the highest level of best practices with regard to its moral, social and business responsibilities towards its stakeholders.

This Code defines the expectations of the Group regarding the persons who belong to it and the responsibilities of these persons in ensuring their conduct is compliant.

The management of the various business lines, sectors and functions of the Group are responsible for ensuring that such expectations are understood and practiced by the employees. Management must ensure that the obligations expressed in the Code are implemented at the level of business lines, sectors and functions. The Group encourages employees to contact the responsible corporate function whenever they are unsure of the most appropriate conduct to follow in any given circumstance.

All requests for clarification shall be given a prompt response without any risk whatsoever that the employee might be subject to any form of direct or indirect retaliation.

Any sanctions for violations of the Code shall be adopted by the competent corporate bodies with the input of the SB, where necessary, and in compliance with applicable legislation and the relevant national or company-level bargaining agreements. Any sanctions shall be proportionate to the specific violation of the Code.

Any form of retaliation whatsoever towards a person who in good faith reports a possible violation of the Code or requests clarification on how to apply the Code constitutes a violation of the Code. Furthermore, persons who accuse other employees of a violation of the Code while being fully aware that no such violation has taken place are also in breach of the Code.

Violations of the Code may lead to the termination of the fiduciary relationship between the Group and the employee, with the contractual and statutory consequences for the employment relationship.

6 ADOPTION, EFFECTIVENESS AND AMENDMENTS

This Code of Ethics was adopted with immediate effect by resolution of the Board of Directors of Cementir Holding S.p.A. on 8 May 2008. Any update, amendment or revision to this Code of Ethics shall be approved by the Board of Directors of Cementir Holding S.p.A.

DECLARATION

I, the undersigned within the scope of the obligations of my employment, hereby declare that I will:

1. act with honesty, ethic propriety and in the interest of the Cementir Group in all activities;
2. avoid effective or evident conflicts with the interests of the Cementir Group;
3. ensure the accuracy and integrity of the books, registers and accounts of the Cementir Group;
4. safeguard confidential information of which I become aware during the performance of my duties;
5. comply with the laws, regulations and rules applicable to my employment responsibilities in each country in which the Cementir Group operates;
6. comply with the standards, policies and procedures of the Cementir Group;
7. safeguard the assets of the Cementir Group and to promote their efficient and legitimate use in corporate activities;
8. protect the health and safety of the employees of the Cementir Group;
9. use the work instruments of the Cementir Group for legitimate business purposes.

Finally, I hereby declare that I have received, read and understood the Code of Ethics of the Cementir Group and that I will comply with its provisions

SIGNATURE

(Print name and surname)