

CODE OF ETHICS

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The Mediolanum commitment to corporate ethics



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Parent company of the Mediolanum
Group

“We sometimes think that the success of a company depends only on proper strategies, strong market positions, and maximum commitment to technology. These are choices that reside in the corporate DNA and often, over the long haul, they are not sufficient to ensure the durability of organizations.

Mediolanum rests its foundations even more on other

higher values: success may come from being useful to people.

Improvement in the quality of life, people as the foundation of our business organization, conformity to the rules, dialogue with all our competitors, and the safeguarding of the environment are issues where we have always been in the forefront.

This document is the result of dialogue with top management, the first corporate level called to comply with the principles and conduct it contains, and I ask them to expend a major effort to disseminate it to all our collaborators”.

Introduction

Beginning in the 2000s, companies have become increasingly aware of their responsibilities: besides the traditional economic responses, they must consider a series of other actors who look to entrepreneurial action to achieve many different expectations.

The international institutions have also formalized this new conscience: in the European Commission Green Paper of 2001¹, corporate responsibility is defined as: "*The integration of social and environmental concerns into business operations and their voluntary interaction with stakeholders*".

The Code of Ethics illustrated on these pages seeks to provide a concrete response by the company to its stakeholders—collaborators, suppliers, customers, partners, communities and local institutions—indicating precise commitments for them and for their various areas of relations in terms of principles of conduct and control.

In a relationship of reciprocity, those stakeholders are asked to commit to the same values set forth in the Code of Ethics.

The essential values expressed in the Code of Ethics are translated into Rules of Conduct, i.e. precise commitments to which all are called to commit themselves by helping build a corporate culture consistent with the basic values.

The Code represents a sign of continuity, since it summarizes topics indicated in the laws and in internal company regulations produced by the various company functions.

Addressees

Considering the various geographical areas in which the Mediolanum Group operates, the Code of Ethics represents an internal reference to which all the legal entities in the group must conform: this produces uniformity of conduct on the part of directors, statutory auditors, management, employees, the sales network, the group companies, collaborators, suppliers and, to the extent of their involvement, all those who operate in the interest of the

¹ Green Paper: "Promoting a European framework for Corporate Social Responsibility" - Brussels, 18.7.2001, page 7 - http://ec.europa.eu/green-papers/index_it.htm

group (hereinafter "Addressees of the Code"). In countries where more restrictive rules are established, for the domains expressly treated in this Code, these will obviously supplement the provisions of this document; otherwise, the Code shall prevail over any less restrictive laws and regulations.

Through dialogue with all the interlocutors and the reporting of results, a process of constant improvement in entrepreneurial action and its role intended in a broader vision can be achieved. Proposals for improvement or solicitation to respond to new interlocutors and new, unexpressed requirements offer opportunities to keep the fundamental values alive in the day-to-day operations that involve all the addressees of the Code of Ethics.

THE VALUES

- FREEDOM** We believe in the freedom to conceive, realize and innovate every product and service that increases the welfare of mankind, the satisfaction of our customers, the self-realization of the employees and Family Bankers[®] and all our stakeholders in general; to this end, we promise to safeguard the full awareness and autonomy of all those who view the Mediolanum Group with interest (stakeholders both internal and external).
- EXCELLENCE** Mediolanum invests significant energy in facilitating excellence in all its processes for creating value. Achieving the expectations of all those who benefit from the operations of the Mediolanum Group requires, first of all, the utmost commitment of all those who work there: passion, overcoming obstacles, listening to demands and a spirit of collaboration are part of the conduct on which group success is based.
- RESPECT** The solidity of success is based on the constant enhancement of the human factor. The group believes in the contribution of all toward the success of its actions, the product of the work and ideas of all. Our accepted business culture seeks to eliminate any possible discrimination by creating the best conditions in which each can best express his/her potential while respecting the other individuals.
- TRANSPARENCY** The achievement of objectives and internal and external communication with all the stakeholders are marked by the utmost transparency, so that our actions, choices and decisions will reflect full independence and awareness.
- INTEGRITY** The Mediolanum Group bases its operation on compliance with the rules, professional ethics, and the value of the individual; it promotes conduct marked by consistency, transparency, propriety and mutual trust, in full compliance with the group Code of Ethics.

EQUITY

Sustainable growth requires a constant effort to balance interests and the quest for well-being to benefit the greatest number of people; where the rules, procedures and commercial practices are not sufficient, the Mediolanum Group bases the reference value for guiding its operations on a quest for equity.

THE RULES OF CONDUCT

1. Conduct in business

The success factors of the long-term company strategy consist of a series of relations and areas that require the maximum attention on the part of those called to achieve the objectives of Mediolanum S.p.A. (hereinafter the "Company" or "Mediolanum") through their efforts. The commitment and professionalism associated with assigned responsibilities and functions must never compromise the prestige and reputation of the company.

In conducting its business relations, the company shall be guided by principles of:

- propriety;
- loyalty;
- transparency;
- professionalism.

1.1. Relations with the market, the shareholders, and the financial community

Mediolanum maintains a constant dialogue with the market and the financial community.

The rules it follows, aimed at balancing the expectations of the various interlocutors, ensure:

- constant verification of management's competence and commitment;
- continuous information activity that facilitates the dissemination of decisions made;
- better understanding of performance and objectives;
- reliability of the data on which the decisions of the financial community are based.

This intense communication activity is performed by structures assigned to manage relations with the reference market and regulatory authorities, with shareholders, with institutional investors, and with the financial community at large.

Principles of conduct

Since the system of participation of the financial community in decision-making is based on awareness and completeness in entrepreneurial and managerial activity, the information and communication system is based on principles of:

- reliability;
- timeliness;
- completeness;
- transparency.

Code of Conduct

Since Mediolanum S.p.A. (parent company of the Mediolanum Group) has adopted the Code of Conduct issued by the Corporate Governance Committee of Borsa Italiana, it prepares an annual report to illustrate the characteristics of the governance structure adopted by Mediolanum S.p.A., on the status of compliance of the corporate governance system with the recommendations of the Code in accordance with the principle of "comply or explain" and the explanation of any variances.

The annual report summarizes the rules followed by the company guidance and control system to ensure the transparency of management operations and to maximize value for the shareholders.

The subsidiaries transform those principal rules of corporate governance into company procedures and documents (e.g. reports on organizational structure, corporate governance project, etc.), also implementing specific indication of the supervisory authorities.

Financial reporting

The annual report of the Mediolanum Group summarizes the most important projects and initiatives achieved in the area of social responsibility and includes the consolidated financial statements of the group and the separate financial statements to inform the financial and business press. The annual report describes the link between the group values, the company strategies that characterize the various operational periods and relations with the principal stakeholders.

1.2. Relations with the authorities and institutions

Mediolanum cooperates actively with the public authorities and the supervisory and control bodies, facilitating execution of the specific public service functions assigned to them.

Principles of conduct

In conformity with company procedures, the competent company functions responsible for relations with the authorities and institutions, as well as any employees and collaborators involved, are required to base their work on principles of:

- loyalty;
- propriety;
- transparency;
- traceability.

Each is required to collaborate fully with those authorities and provide the requested information, documents and data promptly and completely.

Conduct that might in any way compromise the integrity or reputation of either party is prohibited; furthermore, the addressees of the Code must not adopt conduct contrary to the law and such as to constitute violation of the principles of this Code.

It is forbidden to make, induce or favor untruthful declarations to the public authorities and to the supervisory bodies.

1.3. Relations with customers

Achieving strategic objectives depends on the institution of company processes toward the target customers.

Long-standing relationships with customers are based on the following principles:

- identify their needs and satisfy them with products and services that meet their expectations;
- nurture the relationship;
- innovate and continuously improve the range of products and services.

Principles of conduct

All those responsible for relations with customers conduct themselves according to these principles:

- customer satisfaction must be achieved through the quality of the products and services offered; dialoguing with and listening to customers are the basis for creating relationships founded on trust and mutual acquaintance;
- seeking the interest of customers requires precise knowledge of each customer and familiarity with the risk profile of investors. This information is necessary to assess the adequacy and appropriateness of the transactions ordered by the customers, so as to protect their assets;
- transparency toward consumers is based on concrete action: facilitating comprehension of product characteristics and documentation, clarity in dispelling doubts, clear, timely and complete communication through all the information channels are the fundamental corollaries of the principle of transparency;
- any irregularities or complaints require a search for a rapid solution, with the objective of equitable protection and satisfaction of the interests involved;

- the company's commitment to combat the laundering of proceeds from illegal activities requires the attention of all; the objective is to safeguard the financial system and the payments system from those forms of infiltration that might compromise the trust that financial intermediaries place in those systems. Although specific policies and procedures govern the organization of the company system, the IT analyses and instruments employed, and the training programs to combat money laundering, we must not forget our obligation to comply with the requirements concerning the principle of "*Know Your Customer*" instituted by EC Directive 2005/60.

The addressees of this Code must detect every action, signal or clue from current and newly-acquired customers that might suggest a violation of the anti-money laundering legislation (and internal regulations) by utilizing the prescribed reporting channels.

1.4. Relations with suppliers and outside consultants

Stabilizing a stable, transparent relationship of collaboration with suppliers creates the conditions for making more effective use of the resources and expertise of each, while improving company stability and competitiveness over time.

The selection of suppliers and collaborators in a highly competitive market must be based on objective, measurable qualitative assessments to properly quantify that the products and services offered respond to actual company needs.

These rules apply regardless of the size of the purchase.

Principles of conduct

The company shall adopt a serious policy for selecting its suppliers and collaborators, aware that excellence must be pursued at all levels of the value creation chain, even beyond the mere internal confines of the company.

The following principles must be applied in managing relations with suppliers and collaborators:

- the search for professional expertise must be formalized, measurable and controlled; where necessary, reconstructing the selection criteria and the transparency of the relationships can prove helpful in defining further fundamental aspects of the agreements with outside partners (e.g. search for the right price or assistance conditions and response times, etc.);

- conflict of interest situations must be avoided and, if necessary, resolved without any inequality of treatment or situations of inequity in the management of suppliers;
- professional consulting requires a careful assessment of the expertise required and the scope of the engagement; the responsibilities and commitments regarding conformity with the guidelines and compliance with the law and the reputation of the company must be formalized;
- possession of the requisites is a sufficient condition for ensuring equal opportunity for any new suppliers so as to maintain fair competition among those desiring to become partners with the company; naturally, equal conditions (e.g. payment terms, delivery terms, after-sale responsibilities, etc.) must be applied to those providing similar products and services;
- suppliers and collaborators must always be required to share company values: adherence to the principles and values included in this Code of Ethics must be essential elements (even included in contractual clauses). Violations shall result in a suspension of relations and the consideration of protective measures in favor of Mediolanum.

1.5. Relations with other intermediaries in the market

Proper, fair competition is a fundamental factor for the development of any economic system and has positive fallout on the social context as well.

Mediolanum promotes a free, competition-oriented business system: entrepreneurial success must be achieved in a context where all have the same opportunities and are equally subject to the same regulatory mechanisms.

Principles of conduct

The conduct of all the addressees of the Code, when they confront other intermediaries in the market, must reflect respect for the legislation that governs competition and protects consumers.

The following shall be prohibited:

- undertaking initiatives or actions aimed at limiting or distorting competition and consumer rights;
- issuing false or misleading statements about competitors;
- generally imposing conditions of exclusivity on counterparties that prevent them from working with other intermediaries;

- making reference, during business negotiations, to competitors' products or services without due completeness and precision and with respect for other intermediaries in the market;
- participating in industry associations for purposes other than discussing technical, legal and professional problems (e.g. seeking agreements or cartels that might constitute abuse of dominant position; improperly acquiring information on the market or on the competition).

1.6. Anti-corruption laws and regulations

Legality is the essential condition of an institutional context whose objective is to ensure social and economic development of an organized community of people. The principal is even more important for financial and banking companies whose "historical" functions include:

- the solicitation of savings;
- the allocation of credit;
- the distribution of risk;
- the creation of instruments for the exchange of goods or services.

In that context, Mediolanum participates actively in the struggle against all forms of corruption, both public and private, as specified in national legislation , some provisions of which implement the United Nations Convention Against Corruption, the Criminal Law Convention on Corruption of Strasbourg and the OECD guidelines.

In the exercise of its functions, and in all relations both internal and external, the addressees of the Code shall base their conduct on principles of:

- integrity;
- legitimacy;
- propriety.

Of course, the company prohibits any attempt at corruption, inducement to give or promise utility, as well as the acceptance of any utility aimed at the omission of the duties of one's function or the breach of the obligations of loyalty.

Principles of conduct

Commercial and business relations in general must take into account that

- entertainment expenses
- gifts or largesse
- sponsorships and
- the organization of conferences and other events;

must never be improper or exceed normal commercial practices or relations of courtesy.

Likewise, it is forbidden to receive or accept gifts, forms of hospitality, and any goods or utilities that constitute a violation of the aforesaid normal commercial practices and that might be construed as requests to violate the duties of one's position or loyalty or in any case attempts to influence one's decisions.

In dubious cases, the addressees of this Code of Ethics must scrupulously follow internal procedures and inform their direct superiors.

In institutional or commercial relations with national or EU public entities, as well as with public officials or public service officers, or with bodies representative of public institutions, it shall be forbidden to accept or give gifts or other utilities unless they are part of common practice of promotion or courtesy, as mentioned, and always in conformity with company procedures governing those activities.

The prohibited activities described above shall include all forms, including those not expressly mentioned or accomplished with the actions of third parties, that violate the independence of opinion and normal activities related to one's or others' official duties and obligations of loyalty related to the assigned position.

In no case shall one violate the practices and conduct specified in the legislation on the fight against public and private corruption and the indications contained in codes of ethics, procedures, and regulations adopted in this area by counterparties of which one is aware.

2. Employees and collaborators

The essential, irreplaceable points of company competitiveness include a commitment to bring out the best professional skills of people, have personnel actively participate in the processes that involve them, and facilitate the internal communication system to promote a culture of listening and the circulation of information.

The search for human resources that strive for excellence in their professions, with flexibility and with strong motivation is conducted in full compliance with the principles of respect and equality.

Principles of conduct

The **central role**, the **involvement** and the **active participation** of the human factor in company processes are the fundamental objects of the instruments for managing and developing organizational conduct; at Mediolanum, value creation and competitiveness are perceived on the basis of the principles of respect and equality.

All the employees and collaborators work in an environment where no discrimination due to personal characteristics or orientation of thought is permitted; appropriate strategies are adopted to counter any annoying conduct, and all the employees and collaborators are asked to play an active part in creating a working atmosphere based on those values.

Working relationships are based on such principles as:

- understanding
- equality
- respect.

The company tolerates no form of abuse, i.e. discriminatory conduct damaging to the personal sense of human dignity, and provides immediate protection when this principal is violated.

Managerial action strives for the continuous development of skills: the company offers its employees and collaborators opportunities to improve their professional expertise.

The concrete actions consist of:

- training programs right from initial placement in the company;
- initiatives to accompany the individuals in their growth, starting with the assumption of new responsibilities and when there are major organizational changes;
- development of the cognitive, emotional and operational skills of the personnel.

Another purpose of the effort is to favor

- the sharing of Mediolanum Group values;
- promote conduct consistent with company strategy;
- proactively manage the develop of the roles and the skills increasingly required by today's competitive environment.

Individuals in positions of managerial responsibility are asked to play the role of coach for their subordinates and collaborators.

The criteria of selection, incentives, and promotion shall be based on principles of merit and competence.

Mediolanum has formulated **evaluation systems** based on a measurement of the degree of organizational performance using indicators explained and accepted and considering that the results may be the consequence of both individual effort and teamwork.

The compensation and development systems are based on such factors as:

- knowledge;
- skills;
- performance;
- potential.

Promoting an atmosphere based on **collaboration and cooperation**, in the conviction that the most durable results are obtained with teamwork, reflects a certainty that the confidence placed in human capital is the most important long-term investment.

The creation of value through a far-sighted vision of the human factor requires a suitable system of internal **communication**, a necessary condition for people to feel involved in strategy and operational objectives; lastly, the ability to “listen” is also expressed by rewards and proposals of improvement and innovation, which often become factors of success and significant improvement.

In a context where the company recognizes the central role of human resources and promotes the professional contribution of the persons who work there in a climate of loyalty and mutual trust, the addressees of the Code are called to perform their functions or offices diligently and loyally in both form and substance, undertaking not to use the information, property and equipment at their disposal for personal purposes and not to make improper use of any personal property they have been permitted to bring into the workplace.

2.1. Public offices

Employees and collaborators who accept, serve in, or are candidates to serve in public or political offices that might affect their work activity or that might generate conflicts of interest are required to notify the company of this fact. In compliance with law, a way shall be found to manage the commitments assumed in keeping with the commitments of work. In any case, the names of the Mediolanum group companies must not be used improperly in performing the activities related to the assumption of public or political offices.

3. Socially significant activities

Mediolanum, consistent with its values, makes part of the value created through company efforts available to the community. Attention to initiatives of social commitment and support to the community aimed at human promotion are the concrete expressions of those principles.

Principles of conduct

Donations and generosity are used for initiatives in favor of persons disadvantaged by socio-political and environmental conditions. Likewise, local initiatives of historical, artistic, cultural and religious promotion are also sustained.

The operating processes shall be conducted with the following rules:

- decisions are made without considering any visibility or image enhancement;
- the entire process is based on criteria of transparency, traceability, documentability;
- the initiatives taken into consideration may be national or international in scope;
- if, to achieve purposes of social significance, the company participates in initiatives along with partners, or if funds are made available to associations, non-profit entities or foundations, their activities are carefully examined to ensure that the financial effort is effective and transparent.

4. Safety in the workplace

The company is committed to provide working conditions in safe, comfortable surroundings.

To this end, it diffuses a culture oriented toward:

- safety,
- an awareness of possible risks and how to prevent them,
- respect for the environment.

Mediolanum asks everyone to help achieve these objectives by avoiding conduct that might cause damage to oneself, to others and to property. All employees and collaborators are required to enforce the laws and regulations regarding safety and health in the workplace and respect for the environment.

4.1. Safety and well-being of the workplace

The company is aware that the excellence of company processes and the growth of professional skills are facilitated by working environments designed to favor safety and well-being. Numerous initiatives seek to propose personal care and health. Specific company structures are assigned to oversee the application and control of the laws and regulations on safety in the workplace and those relating to the supervision and operation of the anti-intrusion and access control systems (security).

Principles of conduct

Company activities are characterized by the following principles:

- attention to safety to protect the health of its employees, collaborators and guests at the offices of the group;
The operating strategies of each business process uniformly comply with the legislative provisions and company policy regarding safety, health and the environment;
- periodic inspections of the performance and efficiency of its systems to achieve the objectives regarding safety, health and respect for the environment and, when necessary, to take appropriate corrective actions;
- adoption of preventive measures designed to eliminate the potential risks of harm and injuries in the workplace;
- development of initiatives, adoption of instruments, and formulation of procedures aimed at providing optimal working conditions from the standpoints of hygiene,

ergonomics of the workstations, and safety of the structures where work is performed and the systems in use;

- disseminate and communicate to workers the culture of prevention and awareness of the risks (e.g. through suitable training courses, information to employees and collaborators and through the company portal);
- forbid actions that might in any way compromise safety and health in the workplace to the detriment of oneself and third parties.

4.2. IT and online instruments

The company has put in place organizational and technological measures to ensure high standards of IT security, such as:

- measures that allow access only to authorized users, with a level of access limited to the services prescribed for their specific profiles (authentication systems / need-to-know principle);
- the correctness of the data exchanged (integrity);
- protection of the IT and online systems from malware attacks;
- controls of the network infrastructure;
- adequate process for managing security incidents.

These important objectives are achieved not only by adopting organizational and IT measures in the various company processes to protect the assets and integrity of the information system but also through an awareness of the active role all the addressees of this Code must play regarding the proper use of IT and online resources.

Principles of conduct

IT and online instruments must be used in compliance with the laws and regulations (regarding IT offenses, IT security, privacy and copyright) and with the regulations, policies and internal procedures (with reference to documents on information security, regulations on the use of e-mail and personal computers, procedures for change and release management and incident management).

It is forbidden for users and addressees of this Code to:

- access IT and online systems without proper authorization;
- violate the limits of access to the company systems for which they are authorized;
- use the company and outside IT systems and networks to violate the IT systems of others;

- violate the directives on software installation.

Furthermore, those involved in various capacities in the change, release management and incident management processes must scrupulously adhere to the company policies and procedures related to those activities.

Through the information and communication technology systems, the addressees of this Code, based on their authorization profiles, can access the company database, which includes company plans, data on customers, non-public financial information, material subject to copyright, and confidential and privileged information.

In no case is it permitted to use the IT and online systems to diffuse, send or store the aforesaid information and materials for illicit or unauthorized purposes.

5. Attention to the environment

Protection of the environment is a fundamental aspect of corporate responsibility. The company seeks to adopt innovative solutions in its business processes that minimize the consumption of resources and involve the use of low-environmental impact resources, while maintaining high standards of efficiency and safety.

Furthermore, a policy has been instituted regarding the proper disposal of waste, and measures have been adopted to further the recycling of reusable materials.

Specific initiatives are addressed to inform employees and collaborators (through posters and the internal intranet) about the company policy on the environment and the proper procedures that all are asked to follow.

Principles of conduct

The concrete actions that Mediolanum has taken over time, aimed at a policy of environmental sustainability, require the adoption of conduct in keeping with the company strategy to safeguard the environment:

- The company favors initiatives that introduce innovations to company processes that reduce the consumption of resources with special benefit to the company and its customers;
- the selection of suppliers must favor those who promote environmental and social sustainability in their work;
- partners engaged in the management of waste that might have a negative impact on the environment must demonstrate their professional expertise and the necessary authorizations;
- in the production of energy to power the facility management activities, the company strives to develop and adopt actions and structures that use less polluting forms of energy, characterized by low emissions and high efficiency; there is a strict policy to comply with the law, regulations and best market standards on the authorization and communication of those facilities;
- the monitoring of environmental data is included in the system for communicating data and information to the community of stakeholders;

- employees and collaborators are required to conform to the indications on the proper disposal of waste; when in doubt, they are invited to consult the competent company structures;
- the company is constantly striving to find solutions to improve environmental responsibility, ensuring full adoption of the national and international regulatory requirements.

6. Role of the Internal Control System

The complex system of company objectives and the implementation of this Code require an effective internal control system.

The company governance, the management of priorities, and the monitoring and mitigation of risk are covered by that set of instruments that define the rules for managing company processes, in full compliance with the laws and regulations and the directives of the supervisory bodies.

With a view to satisfying the expectations of all its stakeholders, the company invests considerable resources to:

- institute adequate control structures;
- constantly improve the identification processes and measurement of risk;
- implement instruments to measure and monitor risk;
- constantly oversee risk and the effectiveness of containment measures;
- formalize roles and procedures and identify the key responsibilities in company governance;
- construct company information systems that ensure the completeness, reliability and integrity of the information that supports the complex decision-making system.

6.1. The functioning of the Internal Control System

The Internal Control System involves several functions that operate, with specific roles, at the various levels of the so-called "control pyramid": with a view to segregating the functions, there are company structures that perform checks of the operational processes (level-1 controls) and at a higher level (level-2 controls). At the apex of this hierarchy stands Internal Auditing, which oversees the entire internal control system, responding to the strategic management body.

Principles of conduct

Aware of how fundamental a collaborative spirit on the part of employees and collaborators is to the creation of a culture oriented toward control and the effective observance of the

risk measures inherent in business processes, the company appoints specific actors to key roles in the Internal Control System but also requires all to participate actively and responsibly in conforming their work to the control and audit procedures, policies, and regulations. Lastly, it requires the utmost willingness and spirit of collaboration in the conduct of audits by both the company control structures (e.g. Internal Auditing, Compliance & Risk Control) and any outside actors (independent auditors, statutory auditors, supervisory authorities and public authorities). Periodically, the obligatory training initiatives offered to employees and collaborators (regarding compliance, anti-money laundering, privacy, Legislative Decree 231/01, etc.) provide an opportunity to assimilate legislative provisions and any internal regulations. The appointed structures must always be contacted in cases of doubt about interpretation or perplexity over the impact of operational activities.

6.2. Accounting

The management of company complexity and support to the decision-making system depend on an effective accounting and corporate information system.

To achieve the objectives of a proper representation of company transactions and periodic reporting, the rules and methods indicated by accounting practice and the reference accounting principles must be followed and, of course, the legal provisions observed.

We therefore adopt accounting procedures and control systems to:

- ensure the timeliness and correct, complete recording of operational events;
- prepare accounting situations in full compliance with the law and the applicable accounting principles, so as to ensure a fair and truthful representation of the profit performance and financial status of the company.

The principles on which this administrative structure is based, therefore, are:

- clarity;
- propriety;
- truthfulness;
- accuracy;
- completeness;
- timeliness.

Principles of conduct

The accounting records must be kept in accordance with the aforesaid principles and must permit the preparation of a reliable, faithful picture of the company situation, in conformity with the reference accounting principles.

Each transaction must be properly recorded. Each transaction must be supported by adequate documentation so that controls can be conducted, both internally and by the independent auditors and competent authorities, that attest to the characteristics and motivations of the transactions and indicate who authorized, carried out, recorded and verified them.

Properly documented transactions must be promptly input to the company information system. Likewise, the valuation items must be recorded to safeguard company assets and correctly represent company events.

Adequate, appropriate procedures must be implemented for preserving the accounting documentation so as to ensure that each document is genuine and truthful.

Particular care must be exercised in sending periodic documentation to the supervisory authorities and to the market so that it reflects the principles of completeness, accuracy, reliability and clarity to satisfy the various needs for information and reporting.

Employees and collaborators shall be forbidden to violate the aforesaid principles of conduct even through omissions that may in any way lead to information that is incomplete, false, insufficiently documented or nonconforming to the authorization processes.

6.3. Privileged information

The regulations regarding privileged information serve to prevent the inadequate, untimely, incomplete handling that might provide information asymmetries to the financial community.

The procedures for handling and diffusing privileged information represent a form of protection of the market and investors, ensuring adequate disclosure about company events and data while preventing the few individuals in possession of that information from utilizing it to their undue advantage before it is properly disclosed.

Information is privileged if:

- it has not been made public;

- it is precise (i.e. it refers to existing or imminent circumstances the might have an effect on the prices of the financial instruments issued by Mediolanum S.p.A. or by other group companies);
- it directly or indirectly concerns Mediolanum S.p.A. or other Mediolanum group companies
- if made public, it could reasonably be used by investors as one of the factors on which to base their investment decisions.

Principles of conduct

The addressees of the Code must ensure that any news or information relating to the information assets of the company or its activities that they learn as part of their work is kept in the utmost confidentiality, complying with laws and regulations and internal procedures. Furthermore:

- employees and collaborators must maintain total reserve over any confidential information acquired from customers or that they have learned in any way as part of their work;
- those coming into possession of privileged information regarding (i) Mediolanum S.p.A. and the other group companies, (ii) the financial instruments issued by them, (iii) the company customers and (iv) the financial instruments issued by them, are required to conform to the laws regarding market abuse and the handling and disclosure of privileged information, matters covered by specific internal procedures;
- information that is confidential or reserved in nature may be handled as part of the function of the company offices:
 - only for reasons closely associated with the function and company processes involved;
 - ensuring that it must actually be handled;
 - providing due diligence to safeguard its confidentiality;
- it shall be forbidden to use reserved, privileged and confidential information received from customers relating in any way to Mediolanum S.p.A. and the other Group companies and the financial instruments issued by them:
 - for activities that might be in the interest of oneself or others;

- to conclude personal transactions or transactions on behalf of others even utilizing the collaboration of third parties,
- to have third parties execute transactions based on that information;
- the addressees of the Code shall be prohibited from any conduct that might even potentially cause unfavorable consequences to third-party investors deriving from the use of confidential information for the purpose of falsifying the normal mechanism for determining the prices of financial instruments (*market abuse*).

All are required to strictly observe the laws, regulations and internal procedures regarding confidentiality and privileged information.

Lastly, though in the area of personal activities that do not conflict with the laws and regulations on the abuse of privileged information or that might constitute market rigging, all are requested to limit such activities to the time strictly necessary without interfering in their normal daily duties.

6.4. Conflicts of interest

The company bases its relations with its customers on a solid foundation of transparency and integrity. The adoption of measures to manage possible situations of conflict of interest that may arise with customers is the concrete implementation of the aforesaid values, particularly in the case of customers that establish relations with a financial conglomerate like the Mediolanum Group, active in the banking, financial and insurance businesses and organized into different corporate entities.

Principles of conduct

Organizational measures have been formalized to detect, prevent and manage any conflict of interest situations that may arise with customers or between customers when services are provided or investments made.

On the subject of conflicts of interest, special attention must be focused on a few professional figures known as “significant parties”, such as:

- members of the corporate bodies and shareholders;
- employees and collaborators who participate in the provision of services and investing activities;
- persons belonging to the sales networks of the group companies;

- physical persons who participate directly in the provision of services on the basis of outsourcing agreements (outsourcers) involving the provision of investment services.

The organizational measures:

- separate the decision-making processes of the business lines involved in investment services and
- prohibit on the undue dissemination of confidential information between the significant parties involved in activities potentially at risk for conflicts of interest that might damage the interest of customers.

Proper conduct includes the following:

- the significant parties carry out no transactions in which they have a personal interest in conflict with that of the customer;
- the significant parties inform their superiors and other contacts, if required, of situations or activities in which their interests might be in conflict with those of the company;
- if the measures taken do not completely eliminate the risk of damage to the interests of their customers, Group companies reserve the right to abstain from providing the service or disclosing it to the customers by making informed choices;
- a register is instituted indicating the types of investment activities and services for which a conflict of interest has arisen or might arise.

6.5. Confidentiality and data protection

The company ensures the right to confidentiality on the information about its customers, employees and collaborators and any third parties with which it comes into contact even occasionally.

Specific measures guarantee the right of each individual to manage his/her personal data autonomously.

Principles of conduct

The data and information related to the aforesaid individuals cannot be collected, processed, compared, cancelled, modified, communicated or disseminated without the consent of the data subjects and always without jeopardizing them in any way.

The data subjects shall have access to all information pertaining to their persons held and processed by the company and by any authorized third parties.

Based on the classification of the data and information prescribed by law and for which various levels of processing protection are required, the data subjects may know the processors and the purposes of processing, demanding updates or cancellations.

Furthermore:

- employees and collaborators can only process the data within the purview of their work;
- special caution must be exercised in storing the documentation provided, preventing access to unauthorized parties;
- if the data and information subject to protection are processed with IT applications, the passwords and access profiles must be diligently administered;
- in any case, requests to access data subject to protection must be authorized and must be strictly related to the role and work requirements of the processors.

The only exception to the obligation of confidentiality is when there is a legal obligation to communicate the protected data and information to certain parties (e.g. to public authorities, within the scope of anti-money laundering laws, in case of tax assessments, etc.).

7. Implementation and Violations

7.1. Responsibility

The Code of Ethics is approved by the Board of Directors of the company, which must approve any update to it.

The responsibility for updating the Code, managing any reports of violations, responding to clarifications regarding its application, and coordinating training initiatives is assigned to the Ethics Committee of Mediolanum S.p.A., parent company of the Mediolanum Group, which for that purpose may also utilize other group structures.

7.2. Dissemination

The Code of Ethics shall be disseminated to all:

- the members of the corporate bodies,
- employees,
- collaborators,
- members of the sales networks of the group companies .

It may be disseminated through the specific information channels (e.g. company intranet, dedicated portal for the sales networks, database for circulars and notifications, delivery in print) in particular times when relationships are established or throughout their duration (e.g. appointment, hiring, or during training programs).

All must be familiar with its content.

Third parties (e.g. suppliers, outside consultants, etc.) can familiarize themselves with it through the website, where any update is announced. During the formalization of contracts or agreements, the Code may be expressly referenced for explicit commitments to comply with all or specific parts of it.

All the addressees of the Code, as part of their functions within the company and with third parties, shall promote the principles and content of the Code, according to the appropriate procedures and areas.

Mediolanum S.p.A. shall be active with training initiatives for familiarity with and application of the Code; the purpose of those initiatives shall be to create agreement with the values and content of the Code.

The heads of organizational units play a special role in the dissemination of the Code to their collaborators, reinforcing their teamwork and creating a climate of trust; the professional and personal development of their direct subordinates must also include occasions for divulging the content of this document, with the objective of imposing the values and conduct it contains on their activities, generally addressed to a high level of corporate responsibility.

7.3. Reports

To ensure the effective application of the Code of Ethics, the company has instituted channels for reporting presumed instances of noncompliance with this document.

The reports of presumed violations may be sent to this e-mail address:

- Codiceetico@mediolanum.it

Otherwise, they may be sent

- [to the postal address of the company to the attention of the “Ethics Committee”.](#)

Reports received in anonymous form will also be considered.

7.4. Sanctions

The addressees of the Code must abstain from any conduct that might, even potentially, result in violation of the principles and conduct contained in this document, in the implementation procedures, or in the laws and regulations mentioned herein.

The provisions of the Code are an integral part of the contractual obligations assumed by the members of the corporate bodies, the employees, collaborators, and parties in business relationships with the company.

Violation of the provisions of the Code shall constitute breach of the aforesaid contractual obligations, which may result in legal or disciplinary consequences, including termination of contract or engagement with possible claims for compensation.

The disciplinary measures taken against employees in cases of noncompliance with the Code shall conform to the provisions of the laws and regulations cited in the reference national collective labor contracts.

7.5. Controls of reports and compliance with the Code of Ethics

The Ethics Committee shall undertake to make the necessary verification and examination when receiving reports of presumed violations of the Code, including controls at the company structures, operating according to the procedures it deems appropriate.

These shall include the coordination of verification and control activities deferred to the functions belonging to the Internal Control System, to other company functions as deemed appropriate, and possibly to outside consultants.

The authors of detailed reports and the events reported shall be held in confidence and shall be protected from any form of penalty or discrimination that might accrue to those sending reports, except as required by law.