

ETHICAL CODE

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FOREWORD

Lagostina S.p.A. is a Groupe SEB company.

Through the mother company SEB SA Lagostina S.p.A joins Global Compact's Ten Principles of the United Nations concerning Human Rights, Labour Standards, Environment and Anti-Corruption (enclosure 1). As a Groupe SEB company Lagostina S.p.A. is committed to the principles of CECED, the code of conduct of the European Manufacturers of Domestic Equipment (enclosure 2).

1. INTRODUCTION

This document, which forms an integral part of the organisational model in accordance with Decree Law 231/01, defines the important values and principles of behaviour for the smooth operation, reliability, respect of laws and regulations as well as the image of LAGOSTINA S.p.A.

It contains the rights, duties and responsibilities of the concerned internal and external parties of the company, over and above and independently from what is already set out by the law.

All subjects who work to achieve company objectives, be they subjects in a managerial position or employees are obliged to observe this Ethical Code in conducting dealings and business activities.

At the relevant points, this code is also applied to collaborators, external consultants who act in the name of or on behalf of LAGOSTINA S.p.A and commercial partners of LAGOSTINA S.p.a.

Those for whom this Ethical Code is intended, both inside and outside the Company as defined above, are obliged to behave in a way that respects the fundamental principles of honesty, moral integrity, fairness, transparency, objectivity and respect for individual personality, in pursuing business objectives and in all relations with people and bodies internally and externally of the company.

In no case can the pursuit of the Company's interest justify an operation which is not in agreement with an honest line of behaviour.

Therefore LAGOSTINA S.p.A. declares from now that it shall not enter into any type of relation with anyone who adopts a behaviour different from what has been established in the Ethical Code and it reserves the right, from now, to conclude such relation should it come to know of the above difference after the establishment of the relation itself .

2. GENERAL ETHICAL PRINCIPLES

2.1 Lawfulness

Those for whom this code is intended are obliged to respect the deontological, expert and professional rules applicable to operations carried out on behalf of the company.

Those for whom this code is intended are also obliged to respect the company law, as it implements the deontological, expert or professional obligations.

2.2 Fairness

Those for whom this code is intended are obliged to respect the laws and, in general, the legislation in force in the country in which they work.

Those for whom this code is intended are also obliged to respect the company law, as it implements the regulatory obligations.

2.3 Transparency

Those for whom this code is intended are obliged to respect transparency understood as clarity, completeness and pertinence of information, avoiding deceptive situations in the operations carried out on behalf of the Company.

Those for whom this code is intended are also obliged to respect the company law, as it implements the transparency principle.

3. CRITERIA FOR BEHAVIOUR IN RELATIONS WITH STAFF

LAGOSTINA S.p.A. safeguards and promotes the value and development of human resources, also because it is an important factor of success for the company, in order to facilitate, on the basis of merit, full professional accomplishment.

In managing relations, which imply the establishment of hierarchical relations, the Company requests that the authority be exercised with equity and fairness, avoiding any behaviour which can be considered harmful to the dignity and independence of the employee.

Any form of discrimination and, in particular, any discrimination based on race, nationality, sex, age, disability, sexual orientation, political or union opinion, philosophical thinking or religious convictions towards any internal or external subject of the company should be forbidden.

Sexual harassment or acts of physical or psychological violence are not tolerated.

LAGOSTINA S.p.A. undertakes to protect the moral integrity of its collaborators guaranteeing the right to working conditions that respect human dignity.

Any form of irregular work is not tolerated.

Employee privacy is protected by Decree Law 196/03.

In setting up the working relationship each employee must receive accurate information on: characteristics of the department of belonging, responsibility of the individual role and duties to carry out; regulatory and wage elements, rules and procedures to adopt to avoid behaviour that is contrary to laws and company policies.

Staff must avoid creating or facilitating conflictual operations – actual or potential – with the Company, as well as activities which can interfere with the ability to take decisions impartially, in the best interests of the Company and in the full respect of the principles of this code.

In particular, staff must not have financial interests in the choice of supplier, competitor company or customer and cannot carry out working activities which can give rise to a conflict of interest.

4. CRITERIA FOR BEHAVIOUR IN RELATIONS WITH SUPPLIERS

The relationship with suppliers is based on principles of transparency, loyalty, integrity, confidentiality, diligence, professionalism and objective judgement. Their assessment is regulated by the procedure of the “Supplies and assessment of suppliers” P 7.2 Quality System.

In relations of tenders, procurement and, in general, of provision of goods and/or services it is forbidden, on the basis of public and/or available information in accordance with the legislation in force, to establish and maintain relations:

- with subjects implicated in illicit activities and, in any case, with subjects without the required soundness and commercial reliability;
- with subjects that, also indirectly, prevent human development and contribute to the disrespect for human dignity and individual personality and/or violate fundamental human rights
- with subjects that do not respect the employment legislation in force – with particular focus on child labour – and the health and safety of workers, as well as, in general, the principles envisaged by this Ethical Code.

The staff in charge of and employed in the purchasing processes ensures the observance of all the relevant regulations.

LAGOSTINA S.p.A. requires its suppliers to abstain from offering goods or services, in particular in the form of gifts, to collaborators of the company, that exceed the normal practice of courtesy and forbids its employees to offer goods or services to staff of other companies or bodies to obtain confidential information or important direct or indirect benefits, for themselves or the company.

The violation of the principles of lawfulness, fairness, transparency, confidentiality and respect for human dignity are just cause to terminate relations with suppliers.

5. CRITERIA FOR BEHAVIOUR IN RELATIONS WITH CUSTOMERS

Professionalism, competence, availability, respect and fairness are the guiding principles and style of behaviour to follow in relations with customers.

Consequently, relations with customers must be based on complete transparency and fairness, respect for the law and independence from any form of internal or external conditioning.

Contracts and communications to the customers must:

- be clear and simple;
- conform to the legislation in force and be completely free from the resort to elusive or improper practices;
- conform to business commercial policies and parameters defined within them;
- be thorough, so as not to neglect any important element in terms of the customer's decision.

Within the context of commercial relations with customers it is forbidden to behave in a way that can harm the loyalty of the consumer, compromising both the transparency and safety of the market.

It is also forbidden to employees in the commercial area to offer goods or services exceeding the normal practice of courtesy to the staff of other companies in order to obtain confidential information or important direct or indirect benefits, for themselves or the company.

6. CRITERIA FOR BEHAVIOUR IN RELATIONS WITH OTHER COMPANIES

LAGOSTINA S.p.A. intends to safeguard the value of loyal competition abstaining from collusive and predatory behaviour.

The company and its collaborators must respect the principles and rules of free competition and must not violate the laws in force on competition, anti-trust and consumer protection.

It is therefore forbidden to act in any way that violates the regular and free exercise of commerce and industry which harms commercial trust and good faith in commerce.

Within the context of loyal competition and consumer protection the Company and its collaborators undertake not to violate third party rights on intellectual property and to respect the regulations in place to safeguard distinctive signs of original works or industrial products (trademarks, patents).

7. CRITERIA FOR BEHAVIOUR IN RELATIONS WITH THE PUBLIC ADMINISTRATION

It is forbidden, both directly or indirectly, or through an intermediary, to offer or promise money, gifts or compensation, in any form, or to exert illicit pressure, or promise any object, performance, provision or favour to executives, officials or employees of the Public Administration, or to subjects appointed to public service or to their relatives or cohabitants in order to induce them to perform official duties or duties that are negligent, including the purpose of supporting or damaging a party in legal, criminal or administrative proceedings in order to cause direct or indirect advantage to the company.

The only forms of courtesy allowed must be of modest value and finalised at promoting the image of the Company or initiatives promoted by it: the same must be authorised by management and supported by suitable documentation.

In case of commercial relations with the Public Administration, including participation in public tenders, it is necessary to always operate in a way that respects the laws and fair commercial practices.

It is forbidden to use or present declarations or documents that are false or certify things that are untrue, or rather omit information to pursue contributions, loans or other funds granted by the State, a Public Body or by the European Union, to the advantage of or interest to the company.

It is forbidden to use contributions, loans, or other funds granted by the State, a Public Body or the European Union, for purposes other than those for which they have been allocated.

It is forbidden to alter in any way the operation of an information technology or telematic system or intervene illegally in any way on the data, information and programs contained in it or pertinent to it, to pursue an unjust profit which causes harm to others. The prohibition is reinforced if it is the State or a public body to be harmed.

8. CRITERIA FOR BEHAVIOUR RELATING TO ACCOUNTING, ADMINISTRATIVE OR FINANCIAL ACTIVITIES

Each operation or transaction must be precise, verifiable and legitimate.

This means that each action and operation must be properly registered and supported by suitable documentation, so that controls, identification of the different levels of responsibility and the accurate reconstruction of the operation can be performed.

All subjects who at any title, also as mere data suppliers, are involved in the formation of the financial statements and similar documents, or of documents that represent the economic situation, statement of assets and liabilities, or financial situation of the Company, as well as the administrators, auditors and whoever covers a managerial position:

- are obliged to provide maximum collaboration for the specific aspects; to guarantee the completeness and clarity of information provided as well as accuracy of data and elaborations;
- are forbidden to expound untrue facts, also if they are the object of evaluation, or rather to omit information or conceal data in direct or indirect violation of the regulatory principles and internal procedural rules, in order to mislead those who are due to receive the aforementioned documents.

It is forbidden to prevent or hinder the performance of control activities legally attributed to the partners and other company bodies.

It is forbidden to carry out simulated or fraudulent behaviour finalised at influencing the Meeting in order to procure an unjust profit for self or others.

LAGOSTINA S.p.A. intends to guarantee the diffusion and observance of the principles of behaviour in order to safeguard the company capital, protect creditors and third parties who establish relations with the company in the full respect of the laws.

9. CRITERIA FOR BEHAVIOUR IN USING COMPANY ASSETS

The documents, work tools, systems and equipment and any other asset, tangible and intangible (including intellectual property rights and brands) belonging to LAGOSTINA S.p.A. are used exclusively for business purposes, using the methods established by the same; they cannot be used illegitimately, and must be used and guarded with the same diligence of personal property. Any illicit use will be sanctioned also by means of disciplinary action, irrespective of its penal prosecutability.

The company safeguards the personal data of all subjects with whom it enters into a relationship, in accordance with the Privacy law.

The information found out in performing its functions, which is also a company asset, is subject to the rules of law and duty of confidentiality. These duties must be observed even after the relationship with the company has come to an end, according to the regulations above.

The information technology and telematic tools (such as telephone and fax, e-mail, internet, intranet and hardware and software provided) made available to staff are work tools and, consequently, company assets.

Naturally, they must be used solely for business purposes. This applies to both the use of personal computers and other tools, programs and servers.

Although in very marginal limits compared to the overall use, permission is given to use them for private purposes, it being understood that any illicit use can be sanctioned, also by disciplinary action, whether it establishes or not a behaviour that is punishable by law.

Each employee is also obliged to give the required commitment to prevent the possible commission of crimes using the information technology tools.

In particular, the staff is forbidden:

- unauthorized access to an information technology or telematic system;
- to withhold, without authorisation, and abusively diffuse access codes to information technology or telematic systems;
- to diffuse appliances, devices or information technology programs with the purpose of damaging or interrupting an information technology or telematic system;
- to illicitly intercept, impede or interrupt information technology or telematic communications;

- to damage information, data and information technology programs and information technology and telematic systems;

Staff is forbidden to load loaned or unauthorised software onto the company systems and to make unauthorised copies of programs granted on a license, for personal, business or third party use.

10. SAFEGUARDING HEALTH AND SAFETY AT WORK

LAGOSTINA S.p.A undertakes to pursue the objectives to improve the safety and health of workers as an integral part of its activity and as a strategic commitment to the more general purposes of the Company.

Therefore the Company:

- undertakes to diffuse and consolidate a culture of safety and health at work developing risk awareness, promoting responsible behaviour by all collaborators;
- carries out institutional training, provided at specific moments of the business life of the employee and recurrent training for operating staff;
- promotes and implements every initiative to minimise the risks and remove the causes that can jeopardise the health and safety of workers, creating technical and organisational activities, also through the introduction of an integrated system to manage the risks, safety and resources to protect.

Employees must take care of their own health and safety and that of other people present at the workplace, who are affected by their actions or omissions, in line with the training, teaching and tools provided by the employer.

In the same way, non-employed personnel having access to workplaces under the juridical responsibility of Lagostina S.p.a. must take care of their own health and safety and that of other people in conformity with the teaching and tools provided by Lagostina S.p.a.

11. SAFEGUARDING THE ENVIRONMENT

LAGOSTINA S.p.A. intends to ensure full compatibility of its activities with the territory and the surrounding environment.

Consequently, it undertakes to carry out its business activities respecting the environment in full, intended in the widest possible sense, in particular by:

- considering the environmental impact of new activities, new production processes and new products;
- using natural resources in a responsible and aware manner;

- developing a relationship of constructive collaboration, based on maximum transparency and trust, both internally and externally and with the institutions in managing environmental issues;
- maintaining high safety and environmental indexes by implementing effective management systems;

12. OBSERVING THE ETHICAL CODE

Violation of the rules of this Ethical Code harms the relationship of trust established with the Company and can lead to disciplinary actions and compensation for damage.

Observance of this Code by employees and collaborators and their commitment to respecting the general duties of loyalty, fairness and execution of the work contract in accordance with good faith must be an essential element of contractual obligations, also in accordance with art. 2104 of the Civil Code.

Employee behaviour, which violates the behavioural procedural rules contained in this ethical code, must be understood as a disciplinary offence, which is punishable by the applicable law.

Observation of the ethical code by third parties (suppliers, consultants, etc.) integrates the obligation of fulfilling duties of diligence and good faith in negotiations and executing existing contracts with the company.

Violations committed by third parties will be sanctioned in conformity with what is set out in the relevant assignments and contracts.



The Global Compact's Ten Principles

The Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- [The Universal Declaration of Human Rights](#)
- [The International Labour Organization's Declaration on Fundamental Principles and Rights at Work](#)
- [The Rio Declaration on Environment and Development](#)
- [The United Nations Convention Against Corruption](#)

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

Human Rights

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** make sure that they are not complicit in human rights abuses.

Labour Standards

- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** the elimination of all forms of forced and compulsory labour;
- **Principle 5:** the effective abolition of child labour; and
- **Principle 6:** the elimination of discrimination in respect of employment and occupation.

Environment

- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** undertake initiatives to promote greater environmental responsibility; and
- **Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.



The CECED Code of Conduct

The **CECED Code of Conduct** is a voluntary Code that responds to the desire of CECED members (European Committee of Domestic Equipment Manufacturers) to make an impact and promote fair and sustainable standards for working conditions, social compliance and environmental performance. The CECED Code of Conduct sets up the basis for its members to continuously improve performance in their production and supply facilities worldwide.

Forced Labour

There shall be no use of forced labour in any form. This includes forced prison labour, bonded labour or otherwise.

Child Labour

There shall be no use of child labour. Unless local law stipulates a higher age limit, no person younger than the age for completing compulsory education or younger than 15 (except as provided for by ILO convention No. 138) shall be employed. Workers under the age of 18 shall not perform hazardous work and may be restricted from night work with consideration given to educational needs.

Harassment

Employees shall not be subject to corporal punishment or to physical, sexual, psychological or verbal harassment or abuse.

Compensation

Wages, including overtime and benefits, shall equal or exceed the level required by applicable law and regulations.

Hours of work

Unless national regulations require fewer maximum work hours, and except under extraordinary business circumstances, employees shall not, on a regularly scheduled basis, be required to work a standard week of more than 48 hours or a total work week of more than 60 hours (including overtime). Workers shall be provided at least one day off in every seven-day period, except in extraordinary business circumstances.

Non-discrimination

All employees shall be treated strictly according to his other abilities and qualifications in any employment decisions, including but not limited to hiring, advancement, compensation, benefits, training, layoffs and termination.

Health and Safety

Employers shall provide a safe and healthy working environment to prevent accidents and injury and, when applicable, safe and healthy residential facilities, with applicable local law as a minimum.

Freedom of Association and Collective Bargaining

Employers shall recognize and respect the legal right of employees to the freedom of association and collective bargaining.

Environment

Companies will comply with environmental regulations and standards applicable to their operations and will observe environmentally conscious practices in all locations where they operate.