

**REVISION (2)\***  
**February 15<sup>th</sup>, 2005**

## **CODE OF ETHICS**

*(Approved by the Board at its meeting on February 9th, 2004  
and amended by the Board on February 15<sup>th</sup>, 2005)*

### **1. PREMISE**

#### **1.1 The Company and the Group**

This Code of Ethics (hereafter referred to as “Code”), outlines ethical tasks and duties for the members of the Board of Directors as well as Officers, Executives, Employees, consultants and associates of AnsaldoBreda, Inc. (hereafter referred to as “ANSALDOBREDA” or as “Company”) in conducting business and other Company activities.

ANSALDOBREDA is a wholly owned subsidiary of AnsaldoBreda S.p.A. (hereafter referred to as “AB”, or as “Shareholder”), an Italian corporation which belongs to Finmeccanica Group. The purpose of the Company is, substantially, the marketing, manufacturing and re-habilitation of rail-vehicles for mass transportation.

The purpose of the Company is achieved by all those working for and in ANSALDOBREDA with loyalty, seriousness, honesty, professionalism and transparency, in total compliance with applicable laws.

#### **1.2 Relationship with the Sole Shareholder and the Stakeholders**

The presence of ANSALDOBREDA in the American market with different business interactions with a multiplicity of vendors., clients, institutions, organizations and business partners or associates, makes the Company’s relationship with its sole Shareholder, and with the Company’s Stakeholders (i.e.: groups or individuals, companies or organizations, vendors or clients, Executives, Employees or authorities, which, for various reasons and different aims, have business contacts and/or have interests in ANSALDOBREDA’s activities.) of paramount importance.

*\*(It reflects the company’s name change from Breda Transportation, Inc. to AnsaldoBreda, Inc.)*

The Company operates in compliance with state and federal laws, with the rules and procedures established in its marketplace, following the principles of fair competition.

### 1.3 Principles of Reference

Compliance with state and federal laws, transparency and honesty in management, trust and cooperation with the Shareholder, constitute the ethical principles that ANSALDOBREDA makes its own - and that form the basis of its own models of conduct - in order to compete effectively and legally in the marketplace, to improve its clients' satisfaction, to increase value for its shareholders and to develop the competence and professional growth of its own human resources. In particular, the conviction to act in some way that is to the advantage of the Company does not justify adopting types of behavior that contrast with the above principles. All those who operate in ANSALDOBREDA, without distinction or exception, are, therefore, dedicated to observing and ensuring the observation of these principles while fulfilling their functions and responsibilities. Such dedication is justified and requires that those who deal with the Company at any level use the same rules and methods inspired by the same values.

### 1.4 Code of Ethics

ANSALDOBREDA has considered it opportune to adopt and establish a code of behavior that clarifies the values to be adhered to by all of its Directors, Officers, Executives, Employees and collaborators who accept the responsibility, roles and rules of said Code. Those who violate the Code, even if there is no responsibility on behalf of the Company towards third parties, assume personal responsibility inside and outside the Company. Knowledge and observance of the Code by all of those who work for or within ANSALDOBREDA is therefore considered to be a primary condition for the transparency and reputation of the Company. Furthermore, the most significant part of the Code is made known, through ANSALDOBREDA's own web site, to all those with whom ANSALDOBREDA has business relations.

Within the system of internal control, the Code of Ethics constitutes the basis and the reference - prior to evaluation of illegality-risks possibly connected to activities conducted for or within ANSALDOBREDA - of the Company's organizational structure, management and business control, and of the Company's system of sanctions for the violation of regulations established in the internal protocol and adopted by ANSALDOBREDA's Board of Directors. Supervision of the actuation of the Code of Ethics and its application is the duty of all members of the Board of Directors, Officers, Executives and Employees of ANSALDOBREDA who may refer any inadequacies or lack of its application to the Board of Directors.

Verification of the actuation of the Code and its application is the duty of the Board of Directors and of the Company's officers, both of whom may propose to the Chairman of the Board to integrate or modify its contents. It is the duty of the Board of Directors to update the Code of Ethics in order to adapt it to any new important regulation and to the evolution of public sensitivity.

## 1.5 Application Within the Group

Since AB has adopted a code of ethics, ANSALDOBREDA has also chosen to adopt this Code, also due to the fact that ANSALDOBREDA's Board, in order to reach its objectives, is convinced that it has to optimize synergies with its controlling companies, which can only be developed if all those who operate within the Finmeccanica Group make their capabilities available, each person within his or her functions and responsibilities and while respecting the functions and responsibilities of others, at the same time following the local laws and regulations and, in addition to that, the values identified in this Code of Ethics.

For this reason ANSALDOBREDA has welcomed the Code of Ethics of AB and, after adapting it to its own specific needs, has formally adopted it as an instrument of management and a concrete element in the strategy of the Company's organization. The Code is going also to be applied to any company which ANSALDOBREDA would, in future, control. ANSALDOBREDA also invites all the firms linked to it and all its primary suppliers to behave in such a way as to be in line with the principles of this Code.

## **2. GENERAL PRINCIPLES**

### 2.1 Compliance with Laws and Regulations

ANSALDOBREDA operates in absolute respect of the US federal and state laws and regulations, as well as the laws that exist in the countries in which ANSALDOBREDA is conducting or could conduct its activities, in accordance with the principles laid down in the Code of Ethics and in accordance with the procedures foreseen by internal protocol (once an internal protocol is defined and implemented).

Moral integrity is a constant duty of all those who work with and for ANSALDOBREDA and characterizes the behavior of all ANSALDOBREDA's organization and its personnel.

The Directors, Officers, Executives and Employees of ANSALDOBREDA, and all those who operate with or for ANSALDOBREDA in various capacities, are therefore invited, within their respective duties, to know, as much as they can reasonably be expected to discover in the course of their duties, and observe the laws and regulations existing in all the countries in which they operate. This also includes attention to and respect of the rules and procedures that regulate competition, whether in the national marketplace or at an international level.

Any dealings with federal, state or local American Authorities, or Authorities of other countries, on behalf of those who operate with or for ANSALDOBREDA, must be based on maximum honesty, transparency and collaboration, with full respect for all laws and regulations, considering such Authority's public and institutional function.

ANSALDOBREDA will comply with all applicable governmental rules and regulations, including where applicable the Miami-Dade County Conflict of Interest and Code of Ethics Ordinance and the Miami-Dade County False Claims Ordinance.

## 2.2 Models and Rules of Behavior

All work related activity conducted by those working for ANSALDOBREDA must be carried out with professional dedication, high moral standards and managerial accuracy, also with the objective of protecting the Company's image.

The behavior and relationships of all those who operate in any sphere in the interests of ANSALDOBREDA, inside or outside the Company, must be inspired by a desire for transparency, correctness and reciprocal respect. In this context, the Company's executives, through their work, should be the first to represent an example for all human resources in ANSALDOBREDA. While carrying out their work they should follow the principles that inspire the Code of Ethics as well as the Company's procedures and regulations and ensure that same are followed by the employees while encouraging them to request clarification or make useful suggestions where necessary.

Furthermore, with particular reference to the Board of Directors and Officers, ANSALDOBREDA requires that they make a special effort to succeed in proposing and implementing projects, investments, business actions, both commercial and managerial, that will be useful for conserving and increasing the economic, technological and professional assets of the Company.

Regarding business activities as well as other Company acts, ANSALDOBREDA in addition guarantees the availability of an informative support that can allow the Board of Directors, Officers, internal and external auditing persons and entities, and any other authorized entity to carry out the widest and most effective activity of supervision and control.

## 2.3 Diffusion and Observance of the Code of Ethics

ANSALDOBREDA promotes the knowledge and observance of the Code of Ethics, of internal protocol and of any updating of same, among all the members of its Board of Directors, its Officers, Executives, Employees, collaborators of varying degree, commercial and financial partners, consultants, clients and suppliers. ANSALDOBREDA requires the Code of Ethics and the internal protocol to be complied with, and foresees, in the case of breach of any of its clauses, adequate disciplinary or contractual sanctions as may be defined by the internal protocol. The above mentioned persons are therefore invited to know the contents of the Code of Ethics (they should request and receive from the Company the necessary clarifications regarding the interpretations of the content), observe them and contribute to their actualization and make known to the Board any weaknesses or violations (or even only attempts at violation) that come to their knowledge. ANSALDOBREDA, moreover, promotes and encourage the collaboration of

its employees to guarantee the respect, knowledge and actualization of the Code of Ethics, and within the respective areas of competence and functions, also the internal protocol.

## 2.4 Corporate Governance

ANSALDOBREDA adopts a system of company governance oriented towards the maximization of economic value for the Shareholder, towards controlling and minimizing business risks for the Company, and towards transparency with regard to the market.

This system shall conform to the above goals, and shall comply with existing laws and regulations as well as to the best international rules and procedures set for corporate governance. Any modification that may be adopted as a result of reforms in federal or state legislation concerning corporate governance shall consequently result in modifications to this Code of Ethics as adopted by ANSALDOBREDA.

## **3. HUMAN RESOURCES AND EMPLOYMENT POLICY; CONTRACTING**

### 3.1 Main Conditions

Human resources are an indispensable element for the existence of the Company and a critical factor for competing successfully in the marketplace. Honesty, loyalty, capability, professionalism, reliability, technical preparation and the dedication of the personnel therefore become part of the main conditions in order to reach the objectives of the Company and represent the characteristics required by ANSALDOBREDA for its Board of Directors, Officers, Executives, Employees and collaborators of varying degree.

### 3.2 Policy of Selection of Personnel (Hiring Procedures)

With an end to contributing to the development of the objectives of ANSALDOBREDA, and to ensure that these objectives are pursued by everybody while respecting the ethical principles and values that inspire ANSALDOBREDA, the Company's policy is to select each Executive, Employee, consultant and collaborator of varying degree according to the values and characteristics listed above. Within the selection conducted with respect for equal opportunities and without any discrimination against the candidates' privacy or opinions ANSALDOBREDA acts so that the resources acquired correspond to the profiles effectively necessary for the Company's needs, avoiding discrimination and privileges of any kind, including of course all of those which are also prohibited by law.

ANSALDOBREDA is committed to providing equal employment opportunity in all of our employment programs and decisions. Discrimination in employment on the basis of any classification protected under federal, state or local law is a violation of our policy and is illegal. Equal employment opportunity is provided to all employees and applicants for employment without regard to race, color, religion, sex, marital status, national origin, age, physical or mental

disability, sexual orientation, covered-veteran status and/or any other prohibited factor. This policy applies to all terms and conditions of employment, including, but not limited to, recruitment and hiring, placement, promotion, termination, reductions in force, recall, transfer, leaves of absence, compensation, and training Any employee of ANSALDOBREDA who obstructs this policy may be subject to disciplinary action, up to and including termination.

Any applicant or employee who needs a reasonable accommodation to apply for employment or to perform the essential functions of his or her job should contact the Human Resources Department. ANSALDOBREDA will make reasonable attempts to accommodate qualified employees with known disabilities unless doing so would create an undue hardship on ANSALDOBREDA.

Overall responsibility for the direction of ANSALDOBREDA's Equal Employment Opportunity Policy rests with the Human Resources Department. Any questions regarding this policy or its implementation should be directed to the Human Resources Department.

### 3.3 Development of Professional Skills

In the evolution of the work relationship ANSALDOBREDA tries hard to create and maintain the conditions necessary so that the ability and knowledge of each person can be further developed in respect of ethical values, following a policy based on the recognition of merit, results, performances and equal opportunity, and by providing, at its election, programs geared towards professional updating and to the acquisition of increased competence. For this reason, the employee is invited to cultivate and try to acquire new duties, abilities and knowledge, while the executives and heads of department must pay maximum attention to giving value to and increasing the professionalism of its collaborators by creating the conditions for the development of their capabilities and for the realization of their potential.

### 3.4 Human Resources and the Code of Ethics

Through its own functions and dedicated resources, ANSALDOBREDA promotes and is constantly concerned about the Code of Ethics, the related protocol and relevant updating of same, as well as the areas of activity of diverse functions with attribution of responsibility lines of hierarchical employment, description of duties and reporting lines of personnel. The information about and the knowledge of the Code of Ethics and its related specific protocol occurs firstly through the distribution of appropriate documentation to all those who interact with the Company. At the time of delivering said material regarding the Code of Ethics the Company asks those receiving the appropriate documentation to declare that they have taken note of the documentation received. Secondly to inform and update its employees, ANSALDOBREDA foresees specific programs on the Code of Ethics and related protocol prepared by those responsible in the Human Resources Department. The personnel in the Company can, however, at any time ask their superiors for advice and clarification on the content of the Code of Ethics and the protocol and on the duties attributed to same. At the time of constituting a new work relationship, consultancy and/or collaboration, ANSALDOBREDA will provide without delay

the information necessary for an adequate knowledge of the Code of Ethics and the protocol with particular reference to those pertaining to the specific duties required.

### 3.5 Work Environment and Protection of Privacy

ANSALDOBREDA will do its best to create a work environment that guarantees for all those who interact with the Company, the conditions that respect personal dignity in such a way that the various personal characteristics of the individuals may not result in discrimination or inequalities.

Also in this regard, in respect of applicable legislation, ANSALDOBREDA will do its best to protect privacy concerning the information pertaining to one's private details and the opinions of each of its employees and more in general, of those interacting with the Company. In particular, respect for the dignity of the worker and employee must be assured, also, subject to ANSALDOBREDA's policy with respect to e-mail and Internet use, through the respect of the privacy in personal private communication and in the interpersonal relations between employees by way of forbidding any interference in private conferences or dialogues and through any sort of interference, interaction or mode of control which may damage an employee's reputation.

### 3.6 Use of Technological Resources

Use of Company technological resources, including Company computers, voicemail, e-mail and Internet access, must be consistent with the Code of Ethics, the ANSALDOBREDA Policies and Procedures Handbook and all other Company Guidelines, including those related to discrimination, harassment and intellectual property. Furthermore, as with all ANSALDOBREDA assets, these resources are to be used by employees only for proper business purposes in line with the Company's Employment Handbook, unless authorized by one of ANSALDOBREDA's Executives. It is not generally ANSALDOBREDA's intent to monitor Internet access or messages on the voicemail and e-mail systems; however, the Company reserves the right to do so in appropriate circumstances. In addition, for operations maintenance, security, business, legal or regulatory requirements, authorized personnel will have unrestricted access to information on the voicemail system, the e-mail system, the Company computers and any other Company-owned equipment.

The use of electronic mail (e-mail) and Internet services at ANSALDOBREDA is governed by the provisions set forth in the ANSALDOBREDA Policies and Procedures Handbook.

### 3.7 Contracting

ANSALDOBREDA will comply where applicable with all applicable rules and regulations regarding Disadvantaged Business Enterprises, Black Business Enterprises, Hispanic Business Enterprises and Women Business Enterprises (in each case as defined for purposes of Miami-Dade County Code Section 2-8.1(i)) (hereinafter collectively referred to as "Minority Business Enterprises") and Community Small Business Enterprises (also as defined for purposes of

Miami-Dade County Code Section 2-8.1(i)).

ANSALDOBREDA shall not engage in the following practices:

- A. Pass-throughs whereby ANSALDOBREDA as a prime firm requires that a Minority Business Enterprise or a Community Small Business Enterprise accepts any payment as a Minority Business Enterprise or a Community Small Business Enterprise on the condition or subject to an agreement that it pass through such payment or a portion thereof to another entity, including but not limited to ANSALDOBREDA or Shareholder;
- B. Requiring a Minority Business Enterprise or a Community Small Business Enterprise to rent space or equipment from ANSALDOBREDA or Shareholder or levying upon such firms a flat overhead fee for the use by such firms of space, equipment or personnel support, such as secretarial support;
- C. Mandating as a condition to inclusion in a bid or project that a Minority Business Enterprise or a Community Small Business Enterprise hire, fire or promote certain individuals not employed by ANSALDOBREDA or Shareholder or utilize staff employed or previously employed by ANSALDOBREDA or Shareholder;
- D. Requiring a Minority Business Enterprise or a Community Small Business Enterprise to provide more staff than is necessary for the work for which such firm has been retained or using such firm's staff for other work to be performed by ANSALDOBREDA or Shareholder.
- E. Fraudulently creating, operating or representing an entity as a Minority Business Enterprise or a Community Small Business Enterprise for purposes of qualifying for certification as a Minority Business Enterprise or a Community Small Business Enterprise.

With regards to any project or contract of ANSALDOBREDA or Shareholder where the participation of a Minority Business Enterprise or a Community Small Business Enterprise is purported, the relevant agreement between ANSALDOBREDA or Shareholder, as the case may be, and such Minority Business Enterprise or Community Small Business Enterprise shall specify essential terms with regards thereto, including but not limited to a specific statement regarding the percentage of participation in such project or contract planned for Minority Business Enterprises or Community Small Business Enterprises, the timing of payments and when the work is to be performed.

#### **4. CONFLICT OF INTEREST**

##### **4.1 Company and Individual Interests**

The relationship between ANSALDOBREDA and each of its employees is based on trust, and for this reason the primary duty of the employee is to use Company property and his or her own capabilities for the realization of Company interests while conforming to the principles

illustrated in the Code of Ethics which represent the values that inspire ANSALDOBREDA.

For this reason the Directors, Officers, Executives, Employees and collaborators of varying degree of ANSALDOBREDA must avoid every situation and abstain from any activity that could put personal interest ahead of that of the Company or that could interfere or obstruct the ability to make impartial and objective decisions in the interests of the Company. Situations where there has been conflict of interest, as well as being contrary to the law and the principles illustrated in the Code of Ethics have a negative effect on the Company's image and integrity.

All Directors, Officers, Officers, Executives, Employees and collaborators must therefore avoid exploiting their functions and positions to allow economic activities geared to personal interest to dominate or conflict with the duties they owe to the Company.

#### 4.2 Prevention of a Conflict of Interest

In order to avoid situations, even only potential, of a conflict of interest, at the time of assigning a position or initiating an employment relationship, ANSALDOBREDA requests that all Directors, Officers, Executives, Employees and collaborators of varying degree sign a declaration that confirms the absence of conditions of conflict of interest between them and the Company.

This declaration also requires that the subject agrees to promptly inform ANSALDOBREDA - via his or her superior - if he or she actually is - or potentially may be - in a situation of conflict of interest.

ANSALDOBREDA also requests that whoever has knowledge of situations of conflict of interest must promptly communicate this to the Board of Directors through modalities outlined in the specific protocol.

The following guidelines apply to the most common conflict situations:

- Do not make any investment that might affect your business decisions, including owning stock or having a proprietary interest in a company competing or doing business with ANSALDOBREDA. If you made this kind of investment before joining the Company, report the facts to your manager. This prohibition does not apply to owning small amounts of stock of a publicly traded company.
- Get clearance from the Chief Executive Officer before doing business on ANSALDOBREDA's behalf with any company in which you or a close family member may in any way benefit from your actions.
- Do not work for a supplier, customer or competitor while working for ANSALDOBREDA or do any work for, or provide assistance to, any third party that may adversely affect your performance or judgment on the job. Do not use Company time, facilities or materials for outside work that is not related to your

job at ANSALDOBREDA.

- Be conscious of the fact that another member of your household might be employed in a capacity that could create or appear to create a conflict of interest. If this situation arises, consult your manager for guidance.

## **5. OPERATIONAL PROCEDURES AND ACCOUNTING DATA**

### **5.1 Specific Protocol**

Specific protocol is provided so as to prevent biased and consequently potentially negative impact on the Company. This protocol is inspired by the behavioral code and is predisposed – or opportunely integrated and modified – after an analysis of the Company context, and is geared to underlining risks for the Company in the existing system of control, as well as its effectiveness. Specific protocol is to be adopted – by all those who, under whatever title, intervene in the operative process – in the terms and ways especially provided and described by the competent functions of ANSALDOBREDA. Correct actualization guarantees the possibility of identifying the Company subjects responsible for decisional procedure, authorization and carrying out of operations: ‘to that end – according to the principle of control represented by the separation of duties – it is necessary that single operations are carried out in their various phases by different subjects, whose duties are clearly defined and known within the organization, so as to avoid unlimited or excessive powers being attributed to single subjects.

### **5.2 Observance of Procedures**

The Board of Directors and, especially, the Officers, the Executives and the Employees, each within his or her respective duties, functions and within their own capabilities, are invited to observe the procedures established by the protocol. In particular, the Company’s procedures must regulate the action of each operation and transaction through the following elements of control, which are by no means exhaustive: cross checks, authorized signatures, supporting accounting documentation, checking of activities of commercial agents, consultants, suppliers etc., it must be possible to trace the legitimacy, authorization, logic, congruency, correct registration and assessment (also under the profile of the use of financial resources) of each operation and transaction. Therefore each operation must be supported by adequate, clear and complete documentation to be kept on file, in order to allow, at any time, a check on its motivation, the characteristics of the operation and to precisely identify who, in the various phases, authorized it, performed it, registered it and verified it. Respect for the indications established by specific protocol regarding the procedural flow to observe on formation, decision and registration of company phenomena and its relative effects, allows the diffusion and stimulation at all levels in the Company of a culture of control that contributes to the improvement of management efficiency and constitutes an instrument of support to managerial action.

Any non observance of procedures established by the protocol of the Code of Ethics – to be notified to the Board of Directors – compromises the relationship based on trust that exists between ANSALDOBREDA and those who, under whatever title, interact with ANSALDOBREDA.

### 5.3 Accounting Transparency

Truth, accuracy, completeness and clarity of elementary information represent the conditions which permit an activity of transparent accountancy and constitute a fundamental value for ANSALDOBREDA also with an end to guarantee a clear picture of the P&L, balance/sheets and cash-flow of the Company, to the Shareholder as well as any third party.

In order for the above value to be respected, it is first of all necessary that the documentation of elementary facts, to be indicated on the general ledger in support of registration, is complete, clear, true, accurate and valid and is kept on file for verification at any time. The related accounting records must reflect fully, clearly, truthfully and validly what is described in the supporting documentation. In the case of some accounting information based on general evaluations (accruals and provisions), the related bookkeeping must be made in respect of the criteria of logic, conservativeness and prudence, illustrating with clarity in the relevant annexed documentation the criteria which have led to the determination of the value of such accounting record.

Whoever learns of possible omissions, falsifications or irregularities in bookkeeping and basic documentation or of violations of the principles established in the Code of Ethics and of specific protocol, is required to promptly refer same to the Board of Directors. The above mentioned violations undermine the relationship of trust with the Company, are significant from a disciplinary point of view and will be adequately sanctioned.

## **6. PROTECTION OF COMPANY EQUITY**

### 6.1 Guarding and Managing Resources

ANSALDOBREDA takes care so that the use of available resources – carried out in conformity with the existing applicable ‘legislation and with the contents of the Company’s charter and by-laws and in line with the values of the Code of Ethics – is geared to guaranteeing, increasing and strengthening the Company’s equity so as to protect the Company itself, its Shareholder, its creditors and the market.

### 6.2 Illicit Operations on the Company’s Shares or on the Company’s Equity

To protect the integrity of the Company’s equity it is especially forbidden (except in cases expressly allowed by law) to return in any form shareholder’s funds, or free shareholders from

the obligation to pay their shares; to distribute dividends on earnings not really made, or distribute dividends when forbidden by law, or when legislation prescribes a minimum equity and, therefore, earnings should have been retained; to buy shares, or underwrite, subscribe to capital of the Company, or of the controlling companies; reduce the equity, make mergers or stock splits, violating laws or regulations to protect creditors; falsely create or illegally increase the Company's equity capital (illegal equity financing forms) to satisfy, in the case of liquidation, the demands of the shareholders, before those of the creditors.

In order to avoid the above, ANSALDOBREDA within its organization, takes care to ensure the diffusion and knowledge of the laws, regulations, of the Code of Ethics, the protocol related to it, by providing specific programs on information and updating for the Board of Directors, Officers, Executives and Employees concerning illegalities in corporate governance.

## **7. PROCEDURE FOR DESIGN AND PRODUCTION**

For the realization of its own products and of new ones for other markets, ANSALDOBREDA expects maximum technical professional diligence to be applied both in the method and operation of the process.

In order to avoid irreparable damage to the Company – which could occasionally result in crime – ANSALDOBREDA requests all the employees involved, and not only those in the area of “engineering” and “operation”, to follow every legal step and the state of the art with the aim of maintaining accuracy and thoroughness in the design process, as well as the security of Company products, their designs, innovations and components.

## **8. RELATIONSHIP WITHIN THE GROUP**

### **8.1 Autonomy and Common Ethical Values**

ANSALDOBREDA acknowledges the autonomy of the companies controlled by it, if any, and asks them to follow the values expressed in the Code of Ethics and to collaborate loyally in the pursuit of objectives while respecting existing laws and regulations.

Employees, unless there is a specific authorization from ANSALDOBREDA, shall avoid behavior that in their own interest would have negative results for the integrity or image of another company in the Finmeccanica Group. In addition ANSALDOBREDA asks that any company under its control does not adopt any behavior or make any decision that, although it could result in benefits in its own favor, would have negative impact on the integrity or image of other companies in the Group.

### **8.2 Cooperation and Communication Within the Group**

Those who, under designation of ANSALDOBREDA, sit on the Board of companies or consortiums where ANSALDOBREDA has an interest should participate assiduously at

meetings to which they are invited or asked to intervene. In addition they should totally fulfill their mandates both loyally and reliably, and encourage communication among the companies within the Finmeccanica Group, as well as solicit and use inter-group synergy to cooperate in the interest of achieving common objectives. Circulation of information within the Group, in particular regarding the consolidated financial statement and other communication, should be based on the principles of truth, loyalty, accuracy, thoroughness, clarity, transparency and prudence, in a total respect of the autonomy of each company and the specific areas of activity.

## **9. RELATIONSHIP OUTSIDE THE GROUP**

### **9.1 Relationship With Public Authorities and Institutions and Other Authorities Representing Public interests**

#### **9.1.1 Relationship with Authorities and Public Administrations**

In order to avoid compromising the integrity or the reputation of either side, relationships regarding the activity of the Company with public officials or representatives of public service (who operate on behalf of the Public Administration be it central or local, or of legislative departments, of community institutions, of public international organizations or of any foreign State), with the judicial system, with the public authority for security and with other independent authorities, as well as private partners who cover a public service, must be conducted and managed in absolute strict respect of existing laws and regulations, of the principles established in the Code of Ethics and internal protocol; attention and care must be taken in relationships with the above mentioned civil servants or groups, especially in operations relating to: bidding, contracts, authorizations, licenses, concessions, requests and/or management or use of funds in any way of public denomination (national or local), management of contracts, relationships with security/controlling authorities or other independent authorities, health and security departments, departments in charge of collecting taxes, bankruptcy courts, civil or criminal district attorney offices or courts, etc. In order to avoid behaving in contrast with applicable laws and regulations, or however in a negative way for the integrity and image of the Company, the above mentioned operations and the management of financial resources must be carried out by the relevant Departments in respect of the laws and principles of the “Code of Ethics” and in complete observance of internal protocol.

#### **9.1.2 Relationships with Political Organizations and with Trade Unions**

ANSALDOBREDA does not directly or indirectly favor or discriminate against any organization of a political nature or any trade union. The Company abstains from supplying any contribution, directly or indirectly, in any form, to political parties, movements, aggregations, committees, political organizations, trade unions, to their representatives and candidates, except for those due according to specific laws, if any.

### 9.1.3 Gifts, Benefits and Promises of Favors

ANSALDOBREDA forbids all those who work in ANSALDOBREDA's interests, in ANSALDOBREDA's name or on ANSALDOBREDA's behalf to accept, offer or promise, even indirectly, money, gifts, possessions, services or favors (also in terms of job opportunities) to public officials or persons from the private sector in order to influence their decisions, to gain favorable treatment, or undeserved services, or for any other purpose.

Any requests or offers of money, or favors of any kind (including, for example, free gifts or gifts not of a small value) made to or by those who work in or for ANSALDOBREDA, in the context of relationships with Public Administration (American or Foreign) must immediately be made known to the Board of Directors and to the officers of ANSALDOBREDA so that adequate action may be taken.

## 9.2 Relationships with Clients and Suppliers

### 9.2.1 Behavior During Business

Proper and transparent behavior when dealing with clients or suppliers is extremely important for the success of the Company.

The selection of suppliers, the purchase of goods and services must occur according to the principles of the present code of behavior and internal procedures, using the written form and respecting the hierarchical structure of the Group. In any case the selection must occur exclusively on the basis of objective parameters such as quality, reliability, punctuality, ability, efficiency and convenience of price.

In commercial transactions, it is requested and demanded that, also to conform to specific protocol, the utmost care is taken when receiving or spending coins, bank notes, promissory notes, bonds and valuables in general, in order to avoid the danger of circulating forged money among the public.

### 9.2.2 Gifts, Giveaways and Other Benefits

When dealing with clients and suppliers, giveaways, benefits (either direct or indirect), free gifts, favors, or hospitality are forbidden unless their value is such that they do not compromise the image of the Company and cannot be interpreted as aimed at obtaining favorable treatment which is not determined by the rules of the marketplace. In any case, any significant gift, or any not negligible favor or hospitality, must be communicated to and decided upon by a Company Executive.

The Employee who receives gifts or favorable treatment from clients or suppliers which exceed normal business courtesy and politeness, must immediately inform his or her superior who then will immediately inform the relevant department in the Company, which, after the necessary verifications, and through the channels in charge of communication with external members of the Company, will inform the person giving the gift etc., about the Company's policy on this subject.

## **10. COMPANY INFORMATION**

### **10.1 Availability of and Access to Information**

Within the limits established by existing regulations, ANSALDOBREDA promptly and thoroughly provides information, clarification, data and documentation requested by shareholders, clients, suppliers, public authorities, institutions, courts, entities and other stakeholders, while carrying out their relevant functions.

All important Company information must be communicated with absolute promptness both to the Company departments and officers concerned with Company management and to the members of the Board of Directors.

Exhaustive and clear Company communication guarantees, among other things, appropriate behavior: with shareholders, who, in accordance with existing regulations, must be able to access information; with third parties, who come into contact with the Company and must be able to have information concerning the economic, financial and cash-flow situation of the Company; with the Board of Directors; with internal audit and internal control departments' personnel, who must carry out their activities of control in a satisfactory fashion, so as to protect not only the shareholders of the Company, but the market as a whole; with the other companies within the Group, also with the goal of producing the consolidated financial statements and other Company external communication.

### **10.2 Important Company Releases and Market Information**

As part of its internal protocol, ANSALDOBREDA guarantees, to all those appropriately interested in the Company's profile, the Company's facts and the expected evolution of its economic, financial, cash-flow status, access to information and transparency in the managerial decisions. In reference, in particular to the Shareholder, communication of relevant phenomena or market situations and expected evolution of the Company's financials must be promptly made, using different and extensive means of information if necessary. Special attention and care is taken when giving out information relevant to the Company's existence which may have a significant effect on the progress of its business, credibility or reliability in regard to other companies or banks. In this regard, specific protocol must foresee verification and control of external releases so that Company external communication (i.e.: investor relations) which is generally required by law, information directed towards the Shareholder or the public concerning the Company's situation, its economic, financial, cash-flow expectations are always truthful, without omissions and outline simple facts, may be still object of further evaluation, that are true and do not in any way induce errors on the part of those receiving such information.

## **11. RELATIONSHIP WITH MASS MEDIA AND MANAGEMENT OF INFORMATION**

### **11.1 Mode of Conduct**

The relationship with the press, the media and more in general, all external communications with those outside the Company, must be managed by those who have been especially delegated to do so, in conformity with the procedures and regulations adopted by the Company. Any request for information by the press or the media which is received by the personnel of ANSALDOBREDA must be communicated to the appropriate Company functionaries before making any promises to reply to such requests, External communication with those outside the Company must follow the principles of truth, accuracy, transparency and prudence and be geared to spreading the knowledge of the Company's policies, programs and projects. The relationship with the mass media must be based on respect of the law, of the Code of Ethics, related protocol and principles already outlined, with reference to the relationship with public institutions, and with the aim of protecting the Company's image.

### **11.2 Price Sensitive Information**

Any form of investment, direct or via another person that is based on internal confidential Company information regarding the Company or any other company in the Finmeccanica Group or any company with which any of them deals - insider trading - is strictly forbidden. Special concern and attention must be given, therefore, to the circulation outside the Company of documents, news, or information, which is linked to facts that occur in the sphere of activity directed by ANSALDOBREDA and the companies involved with or related to it, and that could influence prices or the stock market if released to the public. Release of such information, after authorization by the Board, will take place via the channels and subjects delegated for this purpose. While managing such information no types of behavior should be used at any time that may favor insider trading phenomena.

### **11.3 Observation of Confidentiality Agreement**

All those who work under any title on behalf of ANSALDOBREDA are obliged to maintain the strictest confidentiality - and therefore to not divulge or inappropriately request information - regarding documents, know-how, R&D projects, the Company's industrial or financial operations and, in general, regarding all information gained in connection with their employment position within ANSALDOBREDA. In particular, confidential information includes regulations and procedures concerning national security, the military, inventions, scientific discoveries, protected technology or new industrial applications, as well as all that which is outlined contractually. Confidential information comprises all information gleaned while working, or in connection with working activities, whose diffusion or use may cause danger or damage to the Company and/or undeserved earnings to the employee.

Violation of duties regarding confidentiality on the part of the employees or collaborators seriously inhibits the relationship of trust with the Company and can result in the application of disciplinary or contractual sanctions.

## **12. VIOLATIONS OF THE CODE OF ETHICS - SANCTIONS**

### **12.1 Notification of Violations**

Regarding notification of confirmed, attempted or requested violation of the rules contained in the Code of Ethics and Company protocol, the Company intends to guarantee that nobody in the workplace should be the victim of retaliation, illicit pressuring, discomfort or discrimination of any kind, as a result of having informed the Board of Directors of the violation. In addition, following such notification the Company will immediately proceed with appropriate verification and adequate sanctions.

### **12.2 Guidelines for Sanctions**

Violation of the principles established in the Code of Ethics and in the procedures as foreseen by internal protocol, compromises the trust between ANSALDOBREDA and its Board of Directors, Officers, Executives, Employees, various collaborators, clients, suppliers, commercial and financial partners.

Such violations will therefore be pursued by the Company vigorously and promptly via adequate and proportioned disciplinary action, regardless of any legal (civil or criminal) relevance such behavior may have. Should the violation have legal consequences, the Company will take the necessary action to ensure that the law is enforced.

All those who enter into any relationship with ANSALDOBREDA are invited to consider the effects of violating the Code of Ethics and internal protocol: to this end ANSALDOBREDA ensures the knowledge and distribution of the Code of Ethics through its web site and makes known that sanctions are foreseen in the case violation occurs, in addition to the procedures for enacting such sanctions.

In order to protect its image and its resources, the Company will not enter into relationships of any kind with those who, when asked, expressly notify ANSALDOBREDA that they do not intend to respect the existing regulations, and/or refuse to behave according to the principles outlined by the Code of Ethics or to follow the procedures and regulations outlined by the protocol.

### **12.3 Protection of Company Trade Secrets and Proprietary and Confidential Information**

ANSALDOBREDA's trade secrets, proprietary and confidential information ("Confidential Information") and much of its internal information are valuable assets. Protection of this Confidential Information, including maintaining its secrecy, plays a vital role in our continued growth and ability to compete. ANSALDOBREDA's Confidential Information may consist of any formula, design, device or information that is used in our business, and that gives ANSALDOBREDA an opportunity to obtain an advantage over our competitors. To qualify as Confidential Information, the information need not be patentable, but cannot be generally or

publicly known.

ANSALDOBREDA's Confidential Information is not always of a technical nature. Such Confidential Information can also include business research, new product plans, strategic objectives, any unpublished financial or pricing information, employee, customer and vendor lists and information regarding customer requirements, preferences, business habits and plans. This list, while not complete, suggests the wide variety of information that needs to be safeguarded.

If you leave ANSALDOBREDA, it is presumed that your obligation to protect ANSALDOBREDA's Confidential Information continues until the information becomes publicly available or ANSALDOBREDA no longer considers it Confidential Information. Employees should remember also that correspondence, printed matter, documents or records of any kind, specific process knowledge, procedures, special ANSALDOBREDA ways of doing things - whether confidential or not - are all property of the Company and must remain at ANSALDOBREDA, in line with the Company's Employment Handbook, unless authorized by one of ANSALDOBREDA's Executives. Of course, personal skills acquired or improved on the job are the personal assets of the one who leaves.

Your obligations with respect to ANSALDOBREDA's Confidential Information are:

- Not to disclose this Confidential Information to persons outside ANSALDOBREDA.
- Not to use this Confidential Information for your own benefit or the benefit of persons outside of ANSALDOBREDA.
- Not to disclose this Confidential Information to other ANSALDOBREDA Employees except on a "need to know" or "need to use" basis.