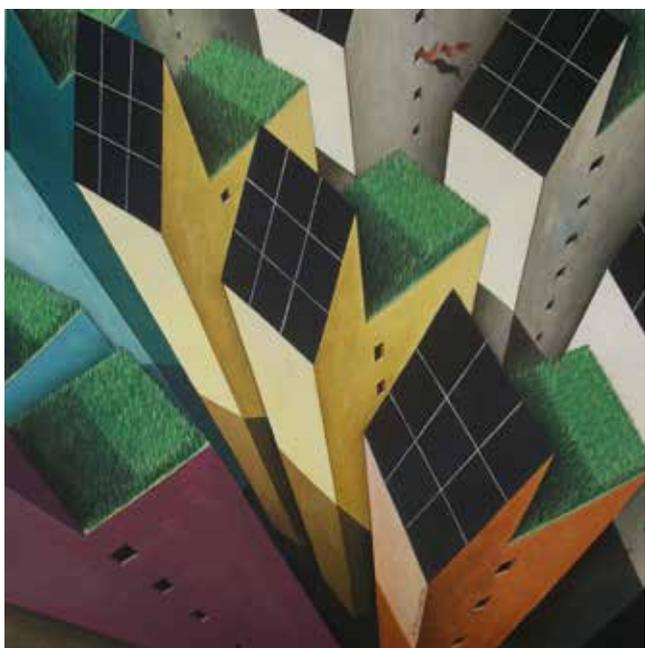




BANCA

S I S T E M A
CONTEMPORARY BANK

ETHICS CODE

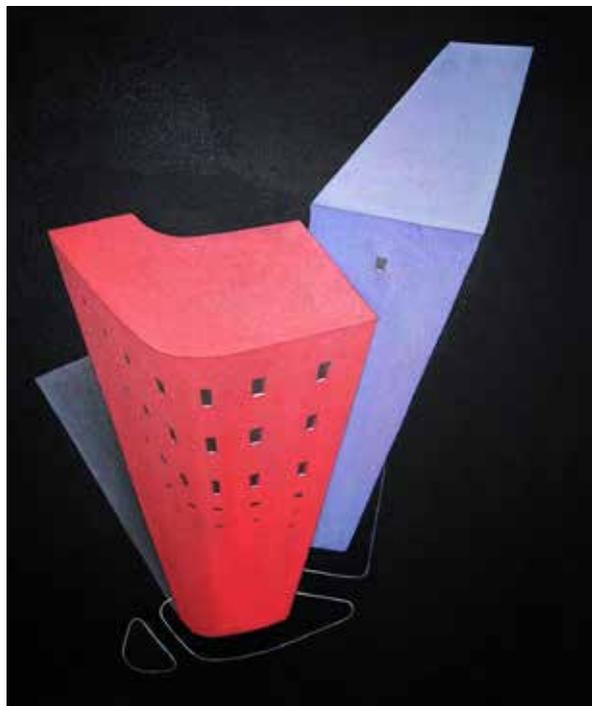


Illustrations from the Intro(pro)spettive series
by Roberto Mercoldi (2009 - 2010)

ETHICS CODE

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Clearly expressing the common principles and responsibilities that guide the actions of Banca Sistema seems to be more important than ever today.

Nowadays Banks are required to assume greater levels of responsibility, which goes beyond the economic and financial effects of their actions to take in increasingly broad and structured functions and contexts.

These values, constructed every day, are summarised in the Code of Ethics, which is the result of an internal reflection on the Bank's mission.

The Code of Ethics is a tool that defines principles and rules; a practical daily guide for expressing the values that the Bank wishes to embody.

The Code of Ethics requires a major commitment from the Bank and a strong sense of sharing and responsibility, above all on the part of the employees, the directors and the partners. For this reason it must be disseminated and illustrated both to those that work with the Bank and to those who, for whatever reason, have contacts with it.

We like to think that the principles outlined in the Code are respected not only by those who are required to comply with them as the Bank's employees, directors or partners, but are also shared by everyone first and foremost on a personal level, and not solely in the professional sphere.

We are committed to working in this direction, seeking to encourage constructive conduct that may not only improve the Bank but also the society in which we live and work through the Bank. We hope that the same goes for those who read this Code, the understanding and observance of which is key for guaranteeing the efficiency, reliability and excellence of the Bank's activities.

Chairman
Giorgio Basevi

CEO
Gianluca Garbi

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INTRODUCTION

Banca Sistema S.p.A. (the “Bank” or “Banca sistema”) is an independent bank founded in 2011 and owned by three bank foundations in North, Central and Southern Italy (Fondazione Sicilia, Fondazione Pisa and Fondazione Cassa di Risparmio di Alessandria), the Management and Royal Bank of Scotland Special Opportunities Fund.

With offices in Milan, Rome and London, Banca Sistema operates in a particular segment of the Italian financial sector, aimed at guaranteeing liquidity to businesses for their dealings with Public Administration through credit management.

Banca Sistema has set out on a clear and consistent path based on individual conduct and constant dialogue with the *stakeholders* in order to meet their expectations and gain their trust in the belief that the Bank’s success is not dependent solely on the quality of its products and services, but also on the thought that goes into their development.

One useful tool for preserving the value and integrity of the Bank over time is the Code of Ethics (the “Code”). IT IS a reference guide for everyday work and seeks to help people identify ambiguous or potentially risk situations that may emerge during working activities, but also relations or conduct that are not perfectly clear and which may damage the Bank.

The reputation and success of Banca Sistema is dependent on the commitment shown by all of its stakeholders. The Code of Ethics is binding as regards the conduct of the directors, employees and all those that work in the name and on behalf of the Bank, as it forms part of the company’s regulations. In general Banca Sistema hopes that its *stakeholders* naturally identify with the principles that underpin the Code, and that they share and apply them as the basis of a trusting relationship founded on mutual respect.



GOALS AND AUDIENCE

GOALS

The Code expresses the commitments and ethical responsibilities assumed by the directors, the General Management and the employees of Banca Sistema when carrying out activities designed to meet the company's goals, with respect for the *stakeholders*.

The Code intends to guide the Bank's management according to the criteria of respect for people, integrity, honesty, transparency, cooperation, efficiency and attention to change. The Code pursues the goal of establishing ideal behavioural guidelines to guarantee the satisfaction of *stakeholders'* needs and the consolidation of a positive corporate reputation.

AUDIENCE

When carrying out their roles and in relation to their respective responsibilities, the Bank's directors, statutory auditors and managers must apply the Code and contribute to its dissemination, taking inspiration from and complying with its values in all their activities.

Employees at all levels and in all roles must respect the Code at all times. In fact, the Bank requests that all employees adopt a loyal, diligent and respectful approach towards their work contract and the company's regulations; the efficiency and correct development of the Bank requires everybody's collaboration.

First and foremost, this means pursuing the goals established by the company and the direct managers with commitment, promptness and diligence, working in accordance with the procedures. It also means pursuing the interests of the company in every professional circumstance.

The Bank undertakes to promote the adoption of the Code among its associated



GENERAL PRINCIPLES

CORPORATE MISSION

One of the primary goals of Banca Sistema is to correctly redirect the financial requirements of SMEs, acting as a bridge between the public and private sectors, supporting Italian businesses in the management of relations with public debtors and contributing to the efficiency of the national economic system.

To facilitate this activity, the Bank's mission is to:

- Consistently promote itself as a benchmark model in the Italian banking system that is in continuous evolution.
- Develop a sense of belonging to the Community, at the same time promoting cultural differences and preserving deep roots in the areas in which it operates.
- Undertake new challenges in a dynamic and all-encompassing way, guaranteeing solutions that meet with *stakeholders'* expectations and ensuring value creation for shareholders.
- Create value for its shareholders in the short and long-term, focusing first and foremost on the satisfaction of its customers and *stakeholders*.

VALUES

Legality. One of the Bank's fundamental principles is compliance with applicable law and regulations.

When carrying out its roles and respective activities, the target audience of the Code must comply with the law and company regulations.

Respect for people. The Bank respects the rights and cultural, political and religious identity of all of the persons with whom it interacts. The importance of people is expressed, in particular, through the attention the Bank focuses on the needs

and requirements of its customers, the protection of and transparency towards its shareholders, the promotion of its collaborators, its honesty and transparency in negotiations with Public Administration and its suppliers, and its active participation in the social life of the community.

Integrity, honesty and transparency. When carrying out its activities, the Bank complies with the principles of legitimacy, honesty, respect for the rules, transparency, clarity and the truthfulness of accounting results and communications to its customers, according to applicable laws and company processes designed to guarantee their application and control.

Team spirit and cooperation. The Bank promotes communications in order to maintain and develop team spirit, improving cooperation between the various resources, the sharing of expertise and the ability to help others. The aim is to be responsible actors in order to drive and foster the Bank's success in accordance with its ethical principles.

Innovation and efficiency. The Bank pursues the goal of constantly improving the effectiveness and efficiency of company processes through the optimum allocation of company resources and the perfect combination of processes, procedures and business models for reconciling the satisfaction of customer requirements with an economical and efficient management approach.

Focus on the Customer. Developing the focus on customers, improving the quality of the services and products provided and increasing customer satisfaction through the constant focus on the effectiveness and efficiency of the processes of developing and supplying its services.

Focus on change. The Bank takes a proactive approach to the future as part of a dynamic and flexible outlook that translates into the constant updating of its activities and products.

Confidentiality. The Bank guarantees the confidentiality of the personal, sensitive and legal data in its possession, in accordance with the provisions of applicable laws (Legislative Decree 196/2003 as amended and related laws).



CODE OF CONDUCT

In its relations and commercial dealings, the target audience of this Code must refrain from acting, either directly and/or through third parties, in a manner that is contrary to the principles expressed in the Code and, more generally, from adopting any other kind of conduct that is contrary to the law and to internal regulations, regardless of the criminal relevance of such conduct, of the damage caused to the Bank or the benefits it may generate. The above persons must assess all of the ethical and legal problems connected with their business decisions, carefully evaluate the potential risks and base their decisions on the outcome of these assessments as well as on basic criteria of sound and prudent management.

RELATIONS WITH CUSTOMERS AND SUPPLIERS

Code of conduct for customer relations

The Bank considers maintaining and constantly improving the quality of its relations with its customers as a key requisite in the creation of corporate value. For this reason it focuses particular attention on the needs of its customers, always guaranteeing prompt and qualified responses, as well as on the quality of its services.

The Bank's relations with its customers are based on loyalty and transparency, and characterised by courtesy, professionalism and confidentiality. It communicates with customers in a clear, simple and comprehensible way so that customers, and consumers in general, can make informed decisions.

The features of the products on offer and the contractual conditions proposed are appropriately advertised using the methods provided for by applicable laws and the quality of the service is constantly monitored in order to eliminate all potential critical issues. The Bank also undertakes to provide, with efficiency and flexibility,

high quality products that satisfy the reasonable expectations and requirements of customers and consumers.

When identifying parties with whom to initiate commercial dealings, the Bank operates in accordance with the general principle of sound and prudent management in order to avoid business activities with parties that do not have the necessary requisites of honesty and reliability, also in accordance with industry regulations and internal regulations regarding anti-laundering and banking transparency.

Code of conduct for supplier relations

The Bank's conduct when identifying and choosing its suppliers is based on the intention to secure the maximum competitive advantage, as well as the painstaking assessment of quality levels and service cost-effectiveness, of their technical and professional suitability, and of the compliance of products and/or services with legal provisions, regulations and all other applicable laws, including respect for current workplace safety laws.

The Bank also undertakes to choose suppliers and external collaborators which have the necessary professional expertise and are committed to sharing the principles of the Code, and promotes the development of lasting relations for the gradual improvement of activities to protect and promote the principles of the Code. To this end it is necessary to:

- Observe internal procedures for the selection and management of relations with suppliers and external collaborators. Adopt objective valuation criteria in accordance with declared and transparent methods during the selection process.
- Seek the assistance of suppliers and external collaborators in order to constantly meet the expectations of customers and consumers in terms of quality.

- Include a section in contracts confirming acknowledgment of the Code of Ethics with the express obligation to comply with the projects outlined therein.
- Maintain an ongoing and open dialogue with suppliers and external collaborators, in line with good commercial practices, and promptly report any breaches of the Code in order to be able to assess the consequences for the Bank and its customers.

MANAGEMENT OF PERSONNEL AND WORKPLACE

The Bank's employees are the key to its development and success. The dedication and professionalism of *management* and employees are crucial values and conditions for achieving the Bank's goals. For this reason the Bank protects and promotes the value of the company's human resources, constantly seeking to improve their expertise and using all management tools that can assist in their development in a positive and constructive way.

Employee relations are regulated by current national and corporate contracts, pursuant to which the Bank identifies the features and contents of the roles and activities as well as the regulatory provisions that determine the relationship established and the remuneration due.

When recruiting its employees, the Bank adopts criteria of honesty, transparency and good faith, basing its selection of personnel on the correspondence of candidate profiles with current and future company requirements, with respect for equal opportunities and without any form of discrimination.

All those in charge of personnel management and coordination are tasked with improving the expertise and work of collaborators, requesting performances in line with the activities assigned to them, their level and their professional role. All managers

are also required to promote the involvement of their collaborators and encourage them to contribute to meeting the company's goals. In addition, managers must also undertake to foster the creation of a working environment conducive to the smooth running of the company, avoiding or removing all possible unlawful influences or sources of discomfort for their collaborators.

The Bank offers career development paths and incentives to its personnel based on rigorous criteria of merit and expertise, without any form of discrimination. Observance of the Code is one of the key prerequisites for the application of the incentive and career development schemes established by the contractual regulations.

The Bank oversees and guarantees the professional updating and training of its employees in order to foster their growth and development, in the primary interest of the Bank and in accordance with the skills of the person involved. The Bank also guarantees the creation of a suitable working environment in terms of safety and physical and psychological health, promoting the adoption of all appropriate technical and organisational measures to protect its employees, and with complete respect for their individual dignity. The systematic discrimination, humiliation, psychological abuse or isolation of collaborators or colleagues is forbidden, whatever the reasons may be for such conduct, as such actions are detrimental to their human dignity. Sexual harassment or behaviour or comments of a sexual nature that may be viewed as offensive shall not be tolerated.

In internal and external working relations the Bank will not tolerate any form of harassment or actions that can be defined as *mobbing*, all of which are forbidden without exception. Such actions include:

- Creating an intimidating or hostile working environment or an environment that isolates or discriminates against individuals or groups of employees.

- Unjustified interference in the work of other people.
- Preventing other people's individual work prospects for reasons of personal competitiveness or the competitiveness of other employees.

The Bank hopes that employees, at all levels, work together to maintain an environment of mutual respect for each person's dignity, honour and reputation. Behaviour consisting of physical or psychological abuse is prohibited without exception.

Employees work on their own skills and expertise, take advantage of the experience and assistance of their colleagues, take a constructive and proactive approach and guarantee the utmost collaboration in order to contribute to the achievement of the goals of their business unit and the satisfaction of internal and external customers.

Employees are required to respect and safeguard the Bank's assets in their operations, preventing their fraudulent or improper use or utilisation against the company's interest and the operating procedures and rules drawn up to regulate their use. Pursuant to Legislative Decree 231/2001 employees must immediately inform the Supervisory Body in writing of any facts, conduct and/or instructions received that conflict with the law, with employment contracts, with the company regulations in force and with the provisions of this Code. Reports must be made in compliance with principles of honesty and loyalty in relations between employees.

Employees must ensure that all of the information they acquire when carrying out the activities assigned to them remains strictly confidential, suitably protected and is not used, communicated or disclosed, inside or outside the Bank, unless in accordance with the regulations and procedures established by same pursuant to applicable laws.

The privacy of individual employees is protected by adopting policies that specify which information is required and the relative processing and storing methods.

These policies also specify that personal data may not be communicated or disclosed without the consent of the person involved, unless otherwise specified by the Law. Any inquest into the ideas, preferences, personal tastes and, in general, the private lives of collaborators is excluded.

Conflicts of interest

Personnel must avoid all situations or activities that may lead to conflicts of interest with the Bank or interfere with their ability to make free and impartial decisions in the best interests of the company.

Conflicts between personal interest and the interests of the Bank occur when an action or decision taken during one's working activities may generate an immediate or future advantage for oneself, one's relatives or acquaintances, to the detriment of the company's interests.

The Bank's *management* and employees must avoid all situations and activities that may conflict with the interests of the Bank or that may interfere with their ability to make impartial decisions in the best interests of the Bank and in full respect of the principles and content of the Code of Ethics and, more generally, to fulfil the roles and responsibilities assigned to them. More specifically, conflicts of interest have a direct effect on the person involved, limiting or influencing their ability to remain impartial. Anyone that realises or thinks that they are involved in a conflict of interests, or is embarrassed about managing a professional situation because of external influences or, finally, does not feel free when making decisions and performing their activities, must report it to the departments identified in the company procedures so that the situation may be clarified and they may receive advice on how to act.

The Bank does not permit any form of gift that may be interpreted as going beyond regular commercial practice or courtesy, or which aims to acquire favourable treatment in any of its business activities. More specifically, any type of gift given to Italian or foreign public officials, auditors, directors of the Bank and its subsidiaries, and statutory auditors or their families that may influence their impartiality, or which is designed to secure any kind of advantage, is forbidden.

RELATIONS WITH SHAREHOLDERS AND THE MARKET

The Bank adopts a corporate governance system aimed at creating value through responsible management of the business in which it operates and guaranteeing protection and returns for all shareholders in accordance with the law and the regulations applicable to the banking sector. The above takes place through the creation of solid and lasting relations with customers based on the quality of the services offered, the prompt payment of wages to employees, the support for connected activities and the fulfilment of tax obligations.

In achieving the above targets, the Bank guarantees complete, correct and timely information, in accordance with the regulations in force in the sector, on significant corporate management events.

For the Bank it is essential that its shareholders are able to participate in making decisions that fall within their remit and to make informed choices. For this reason it undertakes to guarantee the maximum transparency and promptness of the information communicated to its shareholders and the market also through the company website. The Bank also undertakes to take due account of legitimate indications expressed by its shareholders in the appointed venues.

The Bank undertakes to provide truthful, transparent and accurate information to the outside world. Relations with the communications media are managed exclusively by the departments and company managers delegated to oversee these activities. All of the Bank's employees undertake to guarantee the truthfulness and accuracy of the information transmitted to representatives of the communications media.

RELATIONS WITH THE AUTHORITIES, INSTITUTIONS AND ASSOCIATIONS

The Bank has constructive, ongoing and transparent relations with its stakeholders, the Authorities, Institutions and Associations in particular, developing methods and strategies in order to promptly respond to social dynamics.

Public Authorities and Bodies

Relations with Public Authorities are expressly overseen by the company departments and parties specifically delegated to this role, who are authorised in accordance with current company regulations.

These departments and parties maintain relations with Public Authorities based on the utmost integrity, transparency and honesty. More specifically, in any case the target audience of this Code must refrain from promising and/or offering money, remuneration and/or other benefits to public officials and Public Authority or public entity employees in order to promote or favour their interests or those of the Bank. The same parties must also immediately report any requests for or propositions of benefits made to them by public officials or Public Authority or public entity employees to the manager of the internal control departments.

As well as compliance with applicable laws and regulations, the integrity and

reputation of the Bank must always be safeguarded in such relations according to the code of conduct outlined in the organisational model pursuant to Legislative Decree 231/2001.

The Bank always guarantees the utmost honesty and collaboration with the supervisory authorities, the judiciary and the public safety authorities. Communications, particularly those relating to assets and the financial situation, must always be clear, comprehensive and objective.

Trade Unions and Political Organisations

The Bank does make direct or indirect contributions of any kind to political or trade union parties, movements, committees or organisations, or to their representatives or candidates. Free donations to movements or organisations of an exclusively political nature are not permitted. Participation in promotional and commercial activities connected with initiatives promoted by political parties and trade union organisations is also defined in accordance with applicable laws and with maximum transparency.

The personal involvement of recipients of the Code of Ethics in political organisations takes place outside of working hours and is not connected in any way with the roles they carry out at the Bank.

The Bank considers the conduct of the organisations with which it interacts in terms of their honesty and reliability, focusing on any possible involvement they may have in illegal activities or activities harmful to human rights or for the health and safety of people and the environment.

If the activities of such organisations are not in line with the conduct expected of them, the Bank will evaluate the possibility of taking corrective action, including any

refusal to establish relations with them and/or the interruption of these relations. The Bank may make investments in favour of businesses working in the military industry, in full compliance with Italian law, which prohibits all operations regarding armaments that conflict with the Italian Constitution, Italy's international commitments or the fundamental security interests of the Italian State.

Promotion of non-profit activities

The Bank's philanthropic activities are consistent with its vision and focus on sustainable development.

All sponsorship activities and perks, which may be connected with social or environmental issues, sport, entertainment or art, must be connected with the Bank's activities and in line with the relevant company policies. In general, preference is given to those cases where the Bank can collaborate in the planning of such activities in order to guarantee their originality and effectiveness. The social and humanitarian goals of voluntary sector organisations are supported.

The Bank undertakes to maintain a direct, constructive and transparent dialogue with Consumer Associations with the aim of improving and consolidating its customer relations.

RELATIONS WITH THE MEDIA, OPINION GROUPS AND THE SCIENTIFIC COMMUNITY

The Bank's communications to its stakeholders (also indirectly) are based on respect for the right to information. In no case is the disclosure of false or tendentious news or comments permitted.

Communications targeted directly or indirectly at the public must be truthful and must not contain information or omissions that may render them misleading, influencing their reliability. All communications activities must comply with the laws, the rules and the practices of professional conduct; they are carried out clearly, transparently and in timely fashion.

All press releases and other general interest documents are available on the Banca Sistema website (www.bancasistema.it), which takes a detailed look at issues related both to the Bank's *core business* and its ethical and cultural commitments.

All requests deriving from the media are reported to the Bank's Communication department. Employees are permitted to carry out activities such as the publication of documents, the granting of interviews, and the carrying out of public presentations of interest to the Bank on the authorisation of the CEO, following consultation with the Bank's Communications department. Such activities must in any case comply with company regulations.



TOOLS AND APPLICATION OF THE CODE OF ETHICS

COMMUNICATION AND DISCLOSURE OF THE CODE

The Bank promotes the dissemination and awareness of this Code pursuant to Legislative Decree 231/2001, publishing a copy of it on its website, sending a copy to all recipients (directors, the General Management, employees, collaborators and consultants) and requesting written confirmation of receipt from same. This Code must also be sent to new parties that become recipients of the Code.

Through suitable communications and training plans, the Bank also seeks to inform all employees of the content and application methods of the Code and to provide unequivocal interpretations of its provisions, encouraging their observance and creating the necessary conditions for the sharing of the values and principles expressed therein.

APPROVAL, UPDATING AND IMPLEMENTATION OF THE CODE

This Code was approved by the Bank's Board of Directors. The Bank guarantees its periodic updating. The audit of the Code was approved by the Bank's Board of Directors on the proposal of the Ethics Committee.

The proposal was formulated taking account of the stakeholders' evaluation as regards the principles and content of the Code, also promoting their active participation and the reporting of any omissions.

The Code of Ethics is an integral part of the Organisational Model pursuant to Legislative Decree 231/2001. Policies, codes, regulations and internal procedures must comply with the principles laid down by the Code and clarify the terms of application of some of its areas.

Reference and Supervisory Bodies

The Ethics Committee supports the Board of Directors in identifying and assessing ethical principles for the definition of the code of conduct, evaluating the degree to which these principles must be applied to the company.

Having received notification of breaches of this Code, the Supervisory Body pursuant to Legislative Decree 231/2001 carries out all checks and investigations deemed necessary and duly informs the Board of Directors and the Board of Auditors so that the most appropriate measures can be taken.

BREACHES AND SYSTEM OF SANCTIONS

All recipients of this Code must immediately inform the Supervisory Body pursuant to Legislative Decree 231/2001 in writing of any fact, event or behaviour that conflicts with the law, internal company regulations or the provisions of this Code. Reports must be made in compliance with the principles of honesty and loyalty on which the relations between employees at all levels are based. The anonymity of the person making the report is guaranteed, without prejudice to obligations imposed by law, to protect them from any form of retribution, understood as an act that may even only be suspected to be a form of discrimination or penalisation. The breach of the rules in this Code constitutes a disciplinary offence and may result in the application of penalties, in respect, for employees, of every rule, procedure and guarantee provided for by the law and collective labour agreements, also according to the provisions of the Organisational Models drafted pursuant to Legislative Decree 231/2001.

Failure to comply with the Code of Ethics, as outlined in the contracts with collaborators, suppliers and customers, will constitute cause for the termination of the relative contracts.



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