

CODE OF ETHICS

Preamble

Selex Systems Integration GmbH (in the following: SELEX SI GmbH) is a medium-sized business that carries out the development, the production, the sale and the service of high-performance meteorological radar systems that are used for weather analysis and weather forecasting.

SELEX SI GmbH is the world-wide leading manufacturer in this market today.

Furthermore, SELEX SI GmbH offers service for radar systems of various manufacturers. This includes installation, initial operation assistance, repair, system improvements and spare part supply.

The technical know-how that has been acquired over the decades made it possible to develop and manufacture our own meteorological radar systems, which have been successfully sold at home and abroad up to the present day. Our Doppler weather-radar-systems are among the most advanced and modern in the world market.

SELEX Sistemi Integrati GmbH has taken on the function of a system house for complex meteorological measurement networks because, not least in importance, of the high quality of our products and the satisfaction of our customers.

Ethical Standards

Besides the high quality of our products our success is based on the trust our customers do have in us. This trustfulness basically depends on the way our employees, executive staff and the management behave and how they use their skills to our customer's advantage.

This Code of Ethics relates to various aspects of our behaviour and provides a general framework for the kind of conduct that is expected of all employees of SELEX SI GmbH world-wide towards the company, colleagues and third parties.

It covers 17 points:

1. Compliance with laws, ordinances and regulations
2. Undertaking on the part of SELEX SI GmbH
3. Human Resources and employment policy
4. Fair working conditions
5. Antitrust law and fair competition
6. Anti-Corruption
7. Insider trading
8. Conflict of interest
9. Handling of business documents and reporting
10. Protection and proper use of assets
11. Duty to secrecy and data protection
12. Relations with public authorities and organisations and other parties representing collective interests

13. Relations with customers and suppliers
14. Relations with political and trade organisations
15. Concerns or complaints
16. Monitoring
17. Consequences in case of breaches, sanctions
 - 17.1 In relation to employees
 - 17.2 In relation to Senior Executives and Managing Director
 - 17.3 In relation to Third Parties

SELEX SI GMBH Code of Ethics

This code of ethics has been determined by the executive board and approved by the supervisory board of SELEX SI GmbH. It describes the values, principles and actions that guide the business conduct of SELEX SI GmbH. The code reflects the goal of the executive board to strengthen ethical standards throughout the company and to create a working environment that encourages integrity, respect and fair play. The management is convinced that a corporate policy, which strictly conforms to the law and ethical principles and which is socially responsible, is in the best long-term interest of the company.

This code applies for all employees, managing directors and senior executives as well as for members of the SELEX SI GmbH supervisory board. Furthermore this code shall apply for Third Parties (e. g. customers, suppliers) and will therefore – if possible within the frame of our business cooperation – handed over to them. Third Parties will then be asked for paying attention to this codex. In the following these are the so called recipients of the codex.

1. Compliance with laws, ordinances and regulations

SELEX SI GmbH endeavours to do business in accordance with applicable laws, ordinances and regulations and with high ethical standards. Our reputation of being honest, upright and delivering quality is based on this undertaking and helps to secure the long-term success of our business.

2. Undertaking on the part of SELEX SI GmbH

SELEX SI GmbH undertakes to do business in an economical, social and environmentally conscious manner.

SELEX SI GmbH stands behind sustainable, forward-looking development. It is important to us to be economical in the use of natural resources and to minimize the impact on the environment of our activities and products during their life cycle.

The health and safety of all employees, neighbours, customers and other persons who are affected by the operations of our company, takes priority, as does the protection of the environment.

SELEX SI GmbH undertakes to ensure that its processes, technologies and products meet the highest technological and business standards. Quality management is an integral part of all operating procedures.

3. Human resources and employment policy

The loyalty, capability, professionalism, seriousness, preparation and dedication of personnel are determining values and conditions for attaining the Company objectives.

In order to ensure the development of the corporate objectives, the aim of SELEX SI GmbH corporate policy is to create and maintain the necessary conditions for the capabilities, skills and knowledge of each employee to grow further, by following a policy aimed at recognising merits and respecting equal opportunities. In this regard, the employee must cultivate and request the acquisition of new skills, capabilities and knowledge.

Moreover, when carrying out his/her activities, the employee must always operate with all due respect for the organisational structure and enable the correct and orderly operation of the chain of internal controls and the formation of an exact and well-constructed framework of responsibilities.

Within the context of personnel selection, which must be carried out with due regard for the ethical principles as set out in this Code, for equal opportunities and without any discrimination, SELEX SI GmbH operates so that the acquired resources correspond to profiles that are effectively needed for corporate requirements, avoiding favouritism and concessions of any kind. SELEX SI GmbH is intent on giving all persons the same professional opportunities and does not tolerate any illegal discrimination or harassment of any kind. In this connection we refer in particular to the General Equal Treatment Act that came into force on 18.08.2006. The intent of the law is to prevent or eliminate discrimination on grounds of race or ethnic origin, gender, religion or belief, disability, age or sexual orientation. In this respect we also refer to the leaflet handed out to all employees against acknowledgement.

4. Fair working conditions

SELEX SI GmbH is a socially responsible employer that sees its employees as a great strength. We demand a high level of commitment from our employees and are therefore intent on creating a working environment in which the values of the many different cultures around the world are appreciated. The principles and activities concerning our company's personnel policy contribute to giving each employee the opportunity to develop professionally and personally in his job. SELEX SI GmbH respects the individual and promotes the open exchange of opinions, criticism and ideas.

Any threats or acts of violence are prohibited.

The use of drugs at the workplace will not be tolerated.

SELEX SI GmbH is committed to creating a working environment that guarantees its employees and all those who in any way whatsoever interact with the company, conditions that respect personal dignity, and also undertakes to safeguard their moral personality and physical integrity with due regard for the currently applicable legislation.

In compliance with the provisions in the current regulations, SELEX SI GmbH is committed to the protection of the privacy of its personnel as regards information pertaining to the private sphere and the opinions of each individual and, more generally, of those who interact with the company.

In particular, the protection of the worker's dignity must also be ensured through the respect of privacy in correspondence and in interpersonal relationships between employees, through prohibiting interference in conferences or dialogues and through prohibiting interventions or forms of control that can harm the personality. Thus SELEX SI GmbH acts according to the German Constitution which states the protection of dignity and privacy of all persons living in Germany.

5. Antitrust law and fair competition

SELEX SI GmbH undertakes to conduct its business in an honest, active, competent and ethical manner and to comply with all applicable laws governing fair competition (antitrust law), competition and restraint of trade as well as to refrain from obtaining unfair advantages over customers, suppliers or other competitors.

6. Anti-corruption

SELEX SI GmbH is against corruption and bribery and does not tolerate any conduct involving dishonest business transactions. Our employees are not allowed to offer our business partners any special concessions or receive or accept benefits from them that may compromise, or even appear to compromise, the ability to make objective and fair business decisions.

7. Insider trading

SELEX SI GmbH demands of all its employees not to engage in any insider trading. This applies in particular to employees who have access to confidential information about the company, its subsidiaries or affiliated companies or about a company we do business with. Such insider information may, for example, relate to plans, new products or procedures, mergers, the purchase or sale of business interests or securities as well as to problems concerning SELEX SI GmbH itself or one of the companies we do business with. The same applies for sales figures, profitability and negotiations pertaining to important contracts or business connections or to important legal disputes and financial information.

If an employee has information that a reasonable investor would find important for making an investment decision, that employee should not buy or sell either company stock or stock of another company, about which he/she has obtained confidential information, nor should he/she make this information available to other persons until it has become public. Any use of important confidential information in the manner described above may also be illegal.

8. Conflict of interest

A conflict of interest exists if an employee has private interests that conflict with the interests of SELEX SI GmbH. The interests of our company may not be compromised in conflict situations.

Conflicts of interest can arise in many situations requiring special attention, e.g. in the following:

- Employees should not obtain any inappropriate personal advantages due to their position within SELEX SI GmbH or obtain any personal financial gain from access to confidential information.
- All employees are obligated to promote the legitimate interests of our company as far as possible. They should not exploit potential situations to their advantage or use company property, information or their position for personal gain, nor compete with the company directly or indirectly.
- Employees are prohibited from acting as members of the board, managing directors, employees or consultants of another business or organisation, unless with the express approval of SELEX SI GmbH.

Any actual or potential conflict of interest must be reported and discussed with the respective superior.

9. Handling of business documents and reporting

SELEX SI GmbH uses the highest standards in reporting information. All annual financial statements and reports, business documents and accounting records of our company – no matter whether in electronic or printed form – must describe transactions and occurrences accurately and conform to legal requirements and to accounting principles as well as to the internal accounting procedures of the company. Any dishonest reporting within the company or to external organisations or persons is strictly prohibited. SELEX SI GmbH is making every effort to ensure, that all reports and documents, that must be maintained or submitted under German law, contain complete, appropriate, accurate, dated and understandable information.

10. Protection and proper use of assets

Employees have the joint responsibility to treat the property of SELEX SI GmbH with due care. Every employee is also obligated to protect the assets of the company from loss, damage, improper use, theft, embezzlement or destruction. Employees must immediately report any situation or event that may lead to this, to their superior.

11. Duty to secrecy and data protection

Information is one of the most valuable assets of SELEX SI GmbH, and the open and effective communication of information is decisive for the success of the company. However, a large part of our internal business information is confidential or protected under law, so that the duty to secrecy must be maintained, unless publication of the information has been approved by SELEX SI GmbH or is required by law or statute.

This regulation applies in particular with regard to intellectual property such as business secrets, patents, trademarks and copyright. These also comprise business, marketing and service plans, engineering and production know-how, designs, data banks, business documents, payroll documents and any financial data and reports not yet published.

It is our policy to treat all personal information regarding our employees, customers, business partners and suppliers confidentially and with due care and in full compliance with all data protection laws, especially the Federal Data Protection Act that specifically regulates the handling of individual-related data. The protection of this information is extremely important and must be implemented with the greatest care in order to continue respecting the confidence of the persons concerned.

12. Relations with public authorities and organisations and other parties representing collective interests

Those Recipients that, in any way whatsoever, have relations on behalf of SELEX SI GmbH with

- state and government authorities and with
- public organisations, whether German or foreign,
- with community or supranational organisations, or
- with other parties representing collective interests

and with the natural persons that represent them must operate in constant and strict observance of the legislation applicable in Germany and in the country where the relationship occurs and its activities must be distinguished by correctness and transparency.

Care and attention must be paid in relations with the above-mentioned parties, particularly in operations relating to: tenders, contracts, authorisations, licenses, concessions, requests for and/or management and use of any kind of public funding (national or community), management of orders, relations with supervisory authorities or other independent authorities, social security organisations, tax collection agencies, organisations dealing with bankruptcy proceedings, civil, criminal or administrative proceedings, and so on.

So as not to carry out actions in contrast with the legal regulations or in any way prejudicial to the company's image and integrity, the operations referred to above and the related management of financial resources must be undertaken by the specifically authorised corporate departments with due respect for the laws and regulations and corporate procedures.

In particular, in keeping with the corporate principles of behaviour as set out in this Code, the following behaviour is not allowed in relations with the parties referred to above, directly or indirectly:

- Promising or effecting disbursements of money beyond the scope or for purposes other than institutional and service.
- Distributing free gifts and presents beyond those envisaged by normal corporate procedure, that is, any form of gift offered that exceeds the normal commercial or courtesy practices, or that is in any way intended to acquire favourable treatment in the conduct of any corporate activity. In particular, any form of gift to German or foreign public officials or to their relatives (including in those countries where the giving of gifts is a wide-spread practice) that could influence the independence of opinion or lead to any benefit for the company is forbidden.
- Promising or granting benefits of any kind in order to influence the independence of opinion or to obtain any benefit for the Company.

- Behaving in a deceitful way that may cause the public authorities to make a wrong technical-economical evaluation of the products and services offered/ provided.
- Assigning contributions, subsidies or public funding for purposes other than those for which they were obtained.

Relations with the parties listed above are reserved exclusively for the parties delegated for this, with due regard for the Company's organisational set-up.

13. Relations with customers and suppliers

A correct and transparent relationship with customers and suppliers is a fundamental aspect of the Company's success, which must be followed by offering high quality products and services, in competitive market conditions and with due regard for the rules of fair competition.

The selection of suppliers and the acquisition of goods and services must take place with due regard for the principles of this Code of Ethics, the assigned responsibilities and internal procedures, and in written form. In any case, selection must take place exclusively on the basis of objective parameters of quality, convenience, reliability, capability and efficiency.

In business relations with customers and suppliers it is forbidden to give money, benefits, services of any other kind, whether direct or indirect, gifts, acts of courtesy and hospitality, unless they are of such nature and value as not to compromise the Company's image and that cannot be interpreted as intended to obtain favourable treatment not determined by market rules.

In any case, any gifts or acts of courtesy and hospitality must be submitted for the decision of the superior or the responsible person within the Company.

The employee who receives gifts or favourable treatment from customers or suppliers that go beyond the ordinary relations of courtesy or who comes to know of gifts or favourable treatment received by other employees is bound to inform the superior immediately (as set out in article 15 below).

14. Relations with political and trade union organisations

SELEX SI GmbH does not directly or indirectly favour or discriminate against any organisation of a political or trade union nature. The company refrains from providing any contribution, direct or indirect, in any form, to political or trade union parties, movements, committees and organisations, or to their representatives and candidates, other than those due on the basis of specific legal provisions.

15. Concerns or complaints

Should an employee have any concerns or complaints regarding any of the points listed in this code, including a potential breach of this code, he/she should immediately present these to his/her superior for clarification. This can be done anonymously, confidentially or in other ways. Should an

employee not be satisfied with the solution or should he/she find it inappropriate to report the concerns or complaint to his/her superior, then these should be reported to the Managing Director.

SELEX SI GmbH does not permit any reprisals due to complaints that were made in good faith under this code.

16. Monitoring

The task of supervising the working and the observance of the Code is entrusted to the Managing Director who therefore has been appointed by the Supervisory Board and provided with autonomous powers of initiative and control.

The Managing Director operates with impartiality, authority, continuity as well as professionalism and may suggest updates to the code, including those based on notifications provided by the recipients of the code. The Managing Director also operates with wide discretionary powers and with the full support of the executive staff.

17. Consequences in case of breach, sanctions

17.1 In relation to employees

A violation of the principles set out in this code and in the procedures envisaged by internal protocols by employees, executive staff or the Managing Director constitutes a breach of the obligations deriving from the work relationship and leads to the application of disciplinary sanctions.

With reference to the sanctions that can be imposed, it is hereby stated that these shall be applied with due regard for the provisions laid down by law.

Such sanctions shall be applied according to the significance of the individual cases examined and shall be proportionate to their seriousness. The assessment of the aforesaid infringements, the management of disciplinary measures and the imposing of sanctions fall under the competence of the Managing Director.

17.2 In relation to Senior Executives and Managing Director

In the event of a confirmed violation by senior executives of the principles set out in the Code of Ethics and/or in the procedures envisaged by internal protocols, the Managing Director shall evaluate the facts and the behaviour and shall take the appropriate actions in relation to the senior executive in accordance with the legal provisions taking into account the fact that such violations constitute a breach of the obligations deriving from the work relationship.

In the event of a confirmed violation of the Code of Ethics and/or of the procedures envisaged by internal protocols by the Managing Director of SELEX SI GmbH, the Supervisory Board shall take the appropriate actions in accordance with the law.

17.3 In relation to Third Parties

Any behaviour of third parties linked to SELEX SI GmbH by a contractual relationship other than an employer-employee relationship that is in violation of the principles envisaged in the Code of Ethics may determine the application of a penalty and, in the most serious cases, also the cancellation of the contractual relationship, without prejudice to any possible request for compensation for damages.

Neuss, 31st May 2010

Selex Systems Integration GmbH



Ulrich Nellen
Managing Director