

CODE OF ETHICS

SORMA SpA

APPROVED BY A RESOLUTION OF THE
BOARD OF DIRECTORS MEETING HELD ON 14/02/2020



1	INTRODUCTION	3
2	THE PRINCIPLES OF THE CODE OF ETHICS.....	3
2.1	GENERAL PRINCIPLES	3
2.2	PRINCIPLE OF LEGALITY	3
2.3	RELATIONS WITH THE PUBLIC ADMINISTRATION	4
2.4	RELATIONS WITH INVESTIGATING BODIES	4
2.5	RELATIONS WITH CUSTOMERS.....	5
2.6	RELATIONS WITH SUPPLIERS.....	6
2.7	ORGANISATION	6
2.8	CORRECT ADMINISTRATION	7
2.9	HUMAN AND LABOUR RIGHTS	7
2.10	SAFETY AND THE ENVIRONMENT (SUSTAINABILITY)	8
2.11	TRANSPARENCY TOWARDS THE MARKET	9
2.12	COMBATING TERRORISM AND CRIME	10
3	REACTIONS TO VIOLATIONS OF THE CODE OF ETHICS	10
4	THE PROCEDURES FOR APPROVING THE CODE OF ETHICS	10



1 INTRODUCTION

The Company Sorma SpA is aware that unethical behaviour in the conduct of business compromises its reputation and obstructs the pursuit of its mission, i.e., its continuity, the safety and security of the work of its shareholders, employees and collaborators, the satisfaction of customers and all legitimate stakeholders, in a market in which the principles of ability, legitimacy and fairness prevail.

This Code of Ethics, approved by the Board of Directors and ratified by the Shareholders' Meeting, expresses the commitments and ethical responsibilities to which the behaviour of the directors, shareholders, managers, all employees and collaborators of the Company are bound.

2 THE PRINCIPLES OF THE CODE OF ETHICS

2.1 GENERAL PRINCIPLES

1. The Company bases its activity on the principles set out in this Code, and does not intend to enter into or continue having relations with anyone who demonstrates that he does not share its content or spirit, or violates its principles or rules of conduct.
2. The Stakeholders, being the Company's directors, shareholders, senior managers, employees and all collaborators, are required to comply with this Code of Ethics and its updates, which will be distributed as widely as possible to all employees and all other parties having relations with the Company.
3. The Company promotes the sustainability of the supply chain via the responsible social, environmental and economic management of all the procurement, production and distribution processes activated directly, or attributable to the Company through the work of its suppliers.

2.2 PRINCIPLE OF LEGALITY

4. An essential principle of the Company is respect for laws and regulations in force in all the countries in which it operates. All its activities must therefore be based on and carried out in compliance with legislation and all applicable regulations, as well as with pre-established principles and procedures.
5. The Company requires that its shareholders, directors, senior managers and employees in general and anyone who performs representative functions, for any reason, even de facto, comply with legislation and all applicable regulations, as well as with pre-established principles and procedures.
6. In order to ensure that shareholders, directors, managers, employees, consultants, suppliers, customers and any other person with whom it has dealings adopt and comply with all regulations in force, as well as pre-established principles and procedures, the Company is committed to taking necessary and appropriate measures.
7. The Company may contribute to the financing of political parties, committees, organisations and political candidates, provided that it does so in full compliance with the law and current regulations.



2.3 RELATIONS WITH THE PUBLIC ADMINISTRATION

8. Company bodies and their members, the shareholders, employees, consultants and collaborators, proxies and in general third parties acting on its behalf in relations with Italian Public Administration, the European Union or third countries, inspire and adapt their conduct in order not to induce the Public Administration to violate the principles of impartiality and good performance to which it is bound.
9. Contacts with the Italian Public Administration, the European Union and/or third countries are limited to those who are specifically and formally appointed by the Company to deal with or have contacts with such administrations, public officials, bodies, organisations and/or institutions.
10. The Company condemns any conduct by anyone involving directly or indirectly promising or offering money or other benefits to Public Officials and/or Persons charged with an Italian Public Service, of the European Union and/or of third countries, which may result in undue or unlawful interest or advantage for the Company.
11. The persons appointed by the Company to look after any business negotiation, application or dealings with the Italian Public Administration, the European Union and/or third countries, may not, for any reason, behave in such a way as to unlawfully influence the decisions of the Public Officials or Persons charged with a Public Service who make decisions on behalf of the Italian Public Administration, the European Union and/or third countries, in order to ensure that the Company obtains undue or illicit profit or advantage.
12. It is forbidden to allocate contributions, subsidies or funding, even of modest value and/or amount, obtained from the State or other public body or the European Communities for purposes other than those for which they were granted.
13. The Company condemns conduct aimed at obtaining any type of contribution, financing, subsidised loan or other disbursement of the same type, from the State, the European Union or any other public body, by means of alteration or falsification of declarations and/or documents, by means of leaving out information or, more generally, by means of tricks or deceptions, including those carried out by means of an IT or telecommunications system, aimed at misleading the disbursing body.
14. In relations with the Italian Public Administration, the European Union or third countries the Company may not be represented by third parties, when based on available information there is the possibility that a conflict of interest situation exists.

2.4 RELATIONS WITH INVESTIGATING BODIES

15. The Company believes that any persons who, in the context of work performed within or on behalf of SORMA S.p.A., are required to give evidence about facts or events of which they have direct knowledge, must provide true and transparent information. These relations must therefore be founded on the maximum transparency, clarity and propriety, without inducing the authorised institutions conducting the related enquires to make partial, false, ambiguous or misleading interpretations.

In all cases, it is forbidden to make untrue statements or omit pertinent information about which direct knowledge is held, or otherwise change or alter the facts or events that occurred.



16. These relations must be founded on the following principles:

Loyalty

Stakeholders are required to be loyal to the Company while complying with all legal requirements.

Honesty

Honesty is a fundamental principle and an essential value in the management of the organisation; any relations with investigating bodies must be founded on and conducted in accordance with the criteria of propriety, collaboration, sincerity and respect.

The pursuit of corporate interests is never justification for dishonest conduct.

Propriety, good faith and transparency

Stakeholders must not use the information available to them for personal purposes. No persons may accept or apply to themselves or to others any pressure, recommendations or indications that might present an alternative reality to the truth of the events that are known to them, or result in improper benefits for themselves, the Company or third parties. All persons must reject and not make or promise improper offers of money or other benefits.

Confidentiality

Stakeholders must ensure maximum confidentiality for any news and information provided, if this is explicitly requested by the investigating body. Otherwise, their witness statements will be communicated to their direct superior or the specified top management body.

2.5 RELATIONS WITH CUSTOMERS

17. The business activities of SORMA S.p.A. are founded on Quality, in terms of the excellence of the products and services offered, and the complete satisfaction of customer needs, not least by providing immediate, precise information and answers about the products and services provided.
18. In all customer relations, SORMA S.p.A. ensures propriety and clarity in commercial negotiations and in the acceptance of contractual commitments, as well as their faithful and diligent satisfaction.
19. When negotiating contractual agreements, SORMA S.p.A. evaluates carefully the reasonableness and feasibility of the services requested, paying particular attention to the technical and economic conditions, as well as safety and environmental matters, identifying promptly - where possible - any anomalies.
20. The products sold by SORMA S.p.A. are subjected to formal and substantive checks covering, in particular, names, trademarks, sources, certificates of conformity and safety sheets, in compliance with current regulations.
21. Offers are prepared and orders are executed in a manner that always complies with appropriate quality standards and current measures governing safety and environmental protection, while also assuring fair levels of remuneration for employees.
22. SORMA S.p.A. only engages in legal disputes if its legitimate requests are not satisfied appropriately by the counterparty.



23. All negotiations must be conducted in a manner that avoids situations in which the parties to transactions have, or appear to have, a conflict of interest.

2.6 RELATIONS WITH SUPPLIERS

24. All relations with suppliers, including financial and consultancy contracts, are governed by the rules specified in this Code of Ethics and are monitored, constantly and attentively, by SORMA S.p.A.
25. The organisation uses suppliers, contractors or sub-contractors that operate within a framework of legality and in compliance with current regulations, including in particular respect for human rights, worker and product safety, the environment and the principles embodied in this Code of Ethics.
26. All suppliers of Sorma S.p.A. agree to cause their own suppliers to comply with all current regulations governing employment and safety in the workplace, environmental protection, human rights and the fight against discrimination, product safety and trademark protection.
27. Sorma and parties acting on behalf of Sorma respect the intellectual property, authorship and other ownership rights of third parties, as well as the confidentiality requirements inherent in the activities carried out.
28. The procurement of goods and services is forbidden if there is any suspicion of criminal origin (e.g. theft, tax fraud, infringement of patents, trademarks or authorship rights etc.), the commission of offences or infringement of the rights of third parties.

2.7 ORGANISATION

29. Every operation and/or transaction, in the broadest sense of the term, must be lawful, authorised, consistent, appropriate, documented, recorded and verifiable at all times.
30. Shareholders, employees and persons who purchase goods and/or services, including external consultancy, on behalf of the Company, must act in accordance with the principles of fairness, economy, quality and lawfulness and work with the diligence of a good family man.
31. Assessment of the personnel prior to being hired is carried out on the basis of matching the candidates' profiles and specific skills with what is expected and the company's needs, as resulting from the request made by the department in need, in compliance with equal opportunities for all interested parties.
32. The information required is closely linked to checking the aspects envisaged by the professional and psycho-attitudinal profile, in respect of the private sphere and the opinions of the applicant.
33. The Company undertakes to ensure that in its corporate organisation the set annual objectives, both general and individual, of the shareholders, senior managers and employees or collaborators working on behalf of the Company, are focused on possible, specific, tangible, measurable result by taking into account the time envisaged for its achievement.
34. Each company department is responsible for the truthfulness, authenticity and origin of the documentation and information provided in the performance of the task within its competence.



2.8 CORRECT ADMINISTRATION

35. The Company pursues its corporate purpose in compliance with the law, the Articles of Association and company rules, ensuring that corporate bodies act properly and that the patrimonial and participatory rights of the shareholders are protected, by safeguarding the integrity of the share capital and assets.
36. The Company condemns any conduct, by any person, aimed at altering the accuracy and truthfulness of data and information contained in the financial statements, reports or other corporate disclosures required by law addressed to shareholders and the public.
37. The Company demands that Directors, shareholders, department heads and employees behave properly and transparently during performance of their duties, especially in relation to requests made by the Board of Directors, other corporate bodies and auditing firms in the exercise of their respective institutional functions.
38. Company Directors are forbidden to voluntarily engage in any conduct aimed at damaging the integrity of company assets.
39. The Directors must not execute any type of corporate transaction that could cause a loss to creditors.
40. It is forbidden to carry out any simulated or fraudulent act aimed at influencing the will of the members of the shareholders' meeting in order to obtain the irregular formation of a majority and/or a different resolution from that which would have been adopted.
41. It is forbidden to intentionally spread false information both inside and outside the Company, concerning the Company itself, the shareholders, employees, collaborators or third parties working on its behalf, if the person doing it knows very well that the information is false.
42. During audits and inspections by the concerned public authorities, company bodies, their members, the shareholders and employees must have the attitude of willingness, helpfulness and cooperation without obstructing in any way the functions of inspection and control bodies.

2.9 HUMAN AND LABOUR RIGHTS

43. The Company condemns any behaviour that is harmful to individual personality, or the physical, cultural and moral integrity of the people with whom it has relations, and is committed to combating any behaviour of this nature, including the use workers who are not properly hired.
44. The Company condemns the use of child labour and therefore is committed not to use or support this form of work.
45. The Company condemns the use of forced labour and therefore is committed not to use or support this form of work.
46. The Company is committed to providing a safe and healthy workplace
47. The Company is committed to respecting the right of workers to join trade unions
48. The Company is committed not to discriminate against anyone
49. The Company is committed not to use or support disciplinary practices such as corporal punishment, physical or mental coercion or verbal abuse.



50. The Company is committed to complying with the working hours provided for by law and by national and local agreements
51. The Company is committed to paying its employees in accordance with the national collective labour agreement and the company's supplementary agreement.
52. The Company is committed to respecting the privacy of its employees and collaborators and has adopted methods of processing and storing personal and sensitive data that comply with current legislation and provide guarantees of effectiveness.

2.10 SAFETY AND THE ENVIRONMENT (SUSTAINABILITY)

53. The Company is committed to satisfying the legitimate expectations of all its stakeholders, with whom it intends to promote a dialogue aimed at a better understanding of their needs
54. The Company is committed to pursuing environmental protection, with the aim of continuously improving its environmental performances.

To this end, commitments include:

- *management of the 'productive' activities of SORMA S.p.A. in compliance with current environmental regulations, in order to avoid water pollution, atmospheric emissions of harmful substances, emissions in general of noise and vibrations, the creation of harmful or excessive waste and any other conduct that may have adverse consequences for the environment;*
 - *management and disposal of waste and scrap deriving from the productive process in accordance with procedures compliant with current regulations;*
 - *constant improvement of energy efficiency at all productive levels, giving preference to the purchase of plant and machinery that guarantees lower energy consumption for the same performance and quality of production;*
 - *where possible, the use in productive processes of renewable sources of energy, the use of eco-efficient lighting systems and the design of thermal and acoustic insulation systems for plants and offices;*
 - *the use of eco-sustainable packaging and the elimination – where possible – of non-recyclable packaging, opting for types of packaging made from recycled materials or considering the adoption of reusable packaging;*
 - *dissemination among all collaborators and suppliers of a culture focused on environmental protection and the prevention of pollution, developing risk awareness and promoting responsible conduct by all stakeholders. Specifically, when SORMA S.p.A. performs research into, analyses, proposes or includes new products in its business, the Company ensures inter alia that all appropriate investigations and checks are carried out into the potential environmental risks deriving from placement of those products onto the market, thus limiting the related impact and preventing detrimental effects;*
55. The Company is committed to promoting safety and health at work, with the aim of continuously improving its safety performances.

To this end, commitments include:

- compliance with national and EU legislation and regulations on the safety and health of workers at work



- improving the awareness and training of shareholders, employees and collaborators so that, in carrying out the task for which they are responsible, compliance with national and EU legislation and regulations on the safety and health of workers at work is guaranteed and the most appropriate measures are taken to minimise the risks associated with such tasks.

In particular, in making its decisions at any operational level, the Company refers to the fundamental principles derived from European Directive No. 89/391 on the safety and health of workers at work, identified as follows:

- a) avoid risks;
- b) assess risks which cannot be avoided;
- c) reduce risks at their source;
- d) adapt jobs to man, in particular as regards the design of workplaces and the choice of work equipment and methods of work and production;
- e) take account of the state of the art;
- f) replace dangerous items with less dangerous items;
- g) plan prevention, aiming at a coherent whole that integrates in the technique itself, organisation of the job, working conditions, social relations and the influence of the factors of the working environment;
- h) give priority to measures that can protect everyone rather than to individual protection measures;
- i) give workers adequate instructions;

2.11 TRANSPARENCY TOWARDS THE MARKET

56. The Company competes fairly in the market and respects the rules of competition.

57. Sorma's relations with any interlocutor, public or private, must be conducted in accordance with law and in compliance with the principles of fairness, transparency and verifiability.

It is not permitted to offer any form of gift that may even appear to exceed normal business practices or kindness, or in any case aimed at obtaining favourable treatment in the conduct of any activity.

Seeking and establishing personal relations of favour, influence and interference that may directly or indirectly influence the outcome of the relationship is prohibited; the offering of goods or other benefits, including through third parties, is also prohibited, except in the case of gifts of modest value and in accordance with custom and provided that giving the gift cannot be understood as aimed at seeking undue favours.

Sorma SpA does not make contributions, provide advantages or other benefits to political parties or trade unions, or their representatives, except in compliance with applicable regulations.

Upon legitimate request, the Company, its directors, shareholders and employees must provide complete, accurate, adequate and timely information both outside and inside the Company, and in writing if possible.



58. The members of the Board of Directors, the members of the Board of Statutory Auditors, the Directors, the shareholders, senior managers and in general the employees and collaborators who, according to their role, have access to information not available to the public and able to influence the value of listed financial instruments (price-sensitive information), must not take advantage of such information in their own interest and must not encourage insider trading (abuse of privileged information and/or market manipulation) by unjustifiably disseminating such information inside or outside the Company.

2.12 COMBATING TERRORISM AND CRIME

59. The Company condemns any act that involves forgery, counterfeiting, alteration and/or circulation of forged money, public credit cards and revenue stamps. To this end, its Directors, shareholders, employees **and** collaborators are required to comply with and apply Italian and EU legislation and monitor to prevent even possession, use or spending the above in good faith, and are urged to report any situation that may be related to these sorts of felonies to the authorities.

60. The Company condemns any activity that involves the laundering (i.e. acceptance or processing) of proceeds from any form or manner of criminal activity. To this end, its Directors, shareholders, employees and collaborators are required to comply with and apply the Italian and EU anti-money laundering laws, and urge them to report any situation that may constitute an offence of this nature to the authorities.

61. The Company believes deeply in democratic values and condemns any act that may have the purpose of terrorism or subversion of the democratic order. To this end, its Directors, shareholders, employees and collaborators are required to comply with and apply the Italian and EU counter-terrorism laws, and urge them to report any situation that may constitute an offence of this nature to the authorities.

3 REACTIONS TO VIOLATIONS OF THE CODE OF ETHICS

Violations committed by directors, shareholders, senior managers, employees and collaborators of the Company are subject to the disciplinary system provided for by the crime prevention Model approved by the Board of Directors.

4 THE PROCEDURES FOR APPROVING THE CODE OF ETHICS

This Code of Ethics was approved by the Board of Directors of Sorma SpA at its meeting on 14/02/2020.

Subsequently, in order to allow a more flexible adaptation of the document to situations that were highlighted during the management of the crime prevention Model pursuant to Legislative Decree 231/2001, and to ensure a more timely adaptation to new requirements arising from legislative changes to Legislative Decree 231/2001 itself, the process for amending and approving the Code of Ethics of the Company is as follows:

- the Supervisory Body periodically reviews the Code of Ethics, with particular reference to needs arising from legislative changes, and proposes any amendments and additions to the same;
- the Board of Directors examines the proposals of the Supervisory Body and, if it agrees with them, approves the Code of Ethics as amended, which therefore becomes immediately operational for the Company;



- the Organisational, Management and Control model, together with its annexes, is kept in the Office of the Chairman of the Board of Directors, and is available to corporate bodies and persons and entities authorised to consult it.
- The master copy of the Code of Ethics is kept in the Office of the Chairman of the Board of Directors.

Mestre (Venice), 14/02/2020

Arturo Sorgato – Chairman

Sandro Galluzzi – Deputy Chairman

