



## **Code of Ethics**

(Text approved on March 27<sup>th</sup>, 2017, by the Board of Directors)

**Code of Ethics**

**INDEX**

PREMISE.....	3
1. SCOPE AND RECIPIENTS OF THE CODE OF ETHICS.....	4
2. MISSION AND GUIDE VALUES.....	4
2.1 Honesty and fairness.....	5
2.2 Equity and impartiality.....	5
2.3 Respect, safety and growth of the workers.....	5
2.4 Protection of the environment and sustainable development.....	5
2.5 Efficiency.....	6
2.6 Quality of the products.....	6
2.7 Fair competition.....	6
3. EXTERNAL RELATIONS.....	6
3.1 Relations with the Public Administration.....	7
3.2 Relations with the end-users.....	7
3.3 Relations with the Institutions and the Associations.....	7
3.4 Relations with the suppliers.....	7
3.5 Relations with the media.....	8
3.6 Community and environment.....	8
4. MANAGEMENT OF THE FINANCIAL RESOURCES.....	9
5. INTERNAL RELATIONS.....	9
5.1 Rules of conduct.....	9
5.2 Personnel management.....	10
5.3 Safety of the workers.....	10
6. IMPLEMENTATION OF THE CODE OF ETHICS.....	11
6.1 Diffusion and training.....	11
6.2 Monitoring and reports.....	11
6.3 Disciplinary system.....	12

## PREMISE

Founded in 1924, Balma, Capoduri & C. S.p.A. (hereinafter “**Balma Capoduri**” or the “**Company**”) is a metal and mechanical Company leader in the manufacturing of staplers and other mechanical tools for the office under the trademark "ZENITH", as well as stationery articles (adhesive paste, liquid glues, glue sticks, vinyl glues etc.) under the trademark “Coccoina”.

The special attention - which has always characterized the Company both in its manufacturing and in its distribution activities - given to the respect of fundamental values and ethical and professional principles has allowed Balma Capoduri to be acknowledged as a reality of excellence.

With this Code of Ethics (hereinafter the “**Code**”), the Company has decided to gather in one text - presented with clarity and transparency - its values and principles and, more specifically, some general criteria of conduct which should be followed by all those to whom this Code of Ethics applies, in order to promote a corporate culture based on an ethical conduct of business.

The Code is part of the Model of Organization, Conduct and Control, adopted by the Company according to the Legislative Decree 231/2001 (the “**Model**”).

Fully aware that the compliance to the provisions contained therein is essential for the reputation and the present and future development of the Company, Balma Capoduri commits itself to diffuse the Code and to update it periodically, taking constant actions for its fulfillment.

This version of the Code has been adopted by resolution of the Company’s Board of Directors dated 27<sup>th</sup> March 2017.

## **1. SCOPE AND RECIPIENTS OF THE CODE OF ETHICS**

The principles stated in the Code apply to all the activities pertaining the Company's business. So that, the Code shall apply to all the working activities and the management of the Company must be inspired to the rules of conduct and to the general principles indicated herein.

Employees, collaborators and individuals who, in any capacity, act on behalf of or in the interest of the Company or who have business relationships with the Company are considered as recipients of the Code (the "Recipients") and, therefore, are required to observe and, to the extend of their competence, enforce the principles and rules of the Code.

In case the Recipients behave in a way which is not respectful of the Code, the only person responsible will be the perpetrator, with no involvement of the Company.

## **2. MISSION AND GUIDE VALUES**

The Company's primary purpose has always been to guarantee the quality, the reliability and the innovation of its products: the love for manufacturing, the attention for quality, the commitment in honoring the name of "*made in Italy*", social responsibility and many other values have always been fundamental points of the corporate culture, and constantly pursued with the aim to manufacture products improving the consumers' quality of life and work.

The main values which guide the Company's conduct are the following:

### *2.1. Honesty and fairness*

Integrity and transparency are the main Company's values guiding all the Company's relationships with third parties (including its employees and contractors) and reflected in all the activities performed.

### *2.2. Equity and impartiality*

The Recipients of the Code are expected to behave to avoid all sorts of discrimination, condemned by the Company, and to ensure that every decision which should imply a judgment on an individual is taken according to impartial and objective evaluation criteria.

### *2.3. Respect, safety and growth of the workers*

The professional growth of the individuals is an essential element for the development of the Company and so the latter undertakes to evaluate and enhance the abilities of each employee.

In addition, Balma Capoduri recognizes the fundamental role of proper compliance with the provisions set forth in workplace health and safety regulations. This will be secured through the adoption of adequate measures which - depending on the peculiarities of the different activities - are necessary to guarantee a healthy and safe working environment, responding to high quality standards, in order to guarantee the physical, psychological and moral integrity of the workers.

### *2.4. Protection of the environment and sustainable development*

The Company commits itself to the protection and safeguard of the environment, adopting all necessary measures to minimize the environmental impact of its business.

### *2.5. Efficiency*

The Company commits itself to realize every working activity optimizing the human, technological, energetic or financial resources.

### *2.6. Quality of the products*

The Company directs its actions towards the full satisfaction of its Customers, taking into account the requests that might encourage an improvement of the quality of the products and the services. Balma Capoduri also undertakes to ensure in each step of the manufacturing process the full respect of the prefixed high-quality standards.

### *2.7. Fair competition*

The Company believes in the importance of a free and transparent market and condemns every conduct that violates the principles of free and fair competition among companies. These principles are believed essential to promote development and innovation.

## **3. EXTERNAL RELATIONS**

Members of the corporate bodies, workers and all Company's collaborators must behave fairly in the relations with external individuals and institutions.

All the relations with third parties must be based on transparency and respect of laws; every form of influence or pressure must be avoided.

### *3.1. Relations with the Public Administration*

## Code of Ethics of Balma, Capoduri & C. S.p.A.

The assumption of commitments towards the Public Administration (hereinafter "PA") and the Public Institutions, including the supervisor authorities, is exclusively reserved to the authorized corporate functions.

It is forbidden to promise or offer directly and indirectly to Public Officers, people in charge with public services or, in any case, people from the Public Administration, goods, money or advantages of whatsoever nature to obtain special treatments or anyway to promote the interests of the individual or of the Company.

Any kind of contribution, subsidy, financing or provision, in any form, obtained by public entities must be used exclusively for the purpose it was dispensed for.

### *3.2. Relations with the end-users*

The Company aims at the highest satisfaction of all the end-users of its products and, at this purpose, monitors the quality of the products during all the production steps and ensures an efficient after sale service.

### *3.3. Relations with the Institutions and the Associations*

The Company does not provide any contribution or other advantages to Italian and foreign political parties, nor to the trade unions, or to their representatives or candidates.

### *3.4. Relations with the suppliers*

The purchasing process is based on the achievement of the maximum competitive advantage for the Company and, therefore, all the suppliers are chosen on the basis of impartial judgments, founded on criteria such as reliability, the possibility to offer the best contract terms and services and the capacity to comply with the high quality standards requested by Balma Capoduri. Each agreement must be based on transparency in order to avoid conflicts of interest.

The Company commits itself to the impartiality of treatment of every supplier and to an honest and transparent collaboration. In case the supplier's conduct does not comply with the general principles of the Code, the Company shall take the necessary measures, including, if necessary, the termination of the relationship, in order to avoid that similar events may occur again.

### *3.5. Relations with the media*

The Company acknowledges the importance of clear and efficient information based on fairness and transparency.

The external relations are exclusively reserved to the Management Board and both to the Chairman and the Managing Director, concerning the subjects expressly allowed.

### *3.6. Community and environment*

The Company welcomes and supports the social, cultural and educational initiatives aimed at the promotion of the individuals and the improvement of life conditions.

The Company firmly believes in a sustainable growth. The choices of investment, therefore, keep into strong consideration the respect of the environment and of public health.

With this in mind, the Company:

- commits itself to respect the environmental provisions in force time to time;
- prevents pollution, adopting environmental policies to minimize the environmental impact of its activity;
- pursues the constant improvement of the environmental culture inside the Company, trying to apply the most efficient solutions and to reduce as much as possible the use of energy resources.

Particularly, among other initiatives, the Company:



## Code of Ethics of Balma, Capoduri & C. S.p.A.

- monitors the emissions into the atmosphere and the water discharges with periodical analysis;
- evaluates the environmental impacts of any new processes or the modification of the existing facilities before their adoption.

### **4. MANAGEMENT OF THE FINANCIAL RESOURCES**

The management of the financial resources is carried out according to the proxies given with the maximum transparency.

An adequate documentation is kept in order to enable an easily reconstructed transactions.

### **5. INTERNAL RELATIONS**

#### *5.1. Rules of conduct*

In the management of the day by day activities, managers, workers, collaborators and consultants must:

- commit themselves to exercise their skills and their professionalism with a constructive approach, encouraging the growth and the learning of their colleagues in the full respect of the individual dignity;
- contribute, everyone in their field of action, to the achievement of the objectives of quality that is the main purpose of the Company;
- keep a correct attitude avoiding to request or accept special treatment, gifts or other utilities;
- maintain the most complete confidentiality on the information acknowledged;
- respect the assets owned by the Company and use them exclusively for working purposes;
- keep a conduct complying with the rules and instructions, internal and external, and to the principles provided by the Code and the Model.

#### *5.2. Personnel management*

The Company undertakes to develop the abilities and the skills of its workers and offers them the same opportunities to grow with no discrimination, paying them according to a meritocratic system.

### *5.3. Safety of the workers*

The Company carries out its activity keeping into consideration the protection and the improvement of the working environment and safety, pursuing the constant improvement of the conditions of all the individuals operating in the interest of or on behalf of the Company.

The Company guarantees the workers' health taking care for their physical, psychological, and social wellness, adopting all the necessary arrangements in the organization and management of the work.

At this purpose, Balma Capoduri commits itself to respect the laws in force, elaborates and updates the general safety guidelines and promotes the involvement of its workers to the prevention of the risks, among others with an intense training activity to diffuse and consolidate a safety culture in every step of its activity.

The Company, in addition, gives particular attention to the constant update of the processes and the machinery used.

Recipients are requested to actively contribute to the maintenance of the best standards of health and safety, avoiding any conduct which might be dangerous.

## **6. IMPLEMENTATION OF THE CODE OF ETHICS**

### *6.1. Diffusion and training*

## Code of Ethics of Balma, Capoduri & C. S.p.A.

The Company commits itself to communicate to the Recipients the values and contents of the Code, ensuring the full understanding and the largest diffusion, and using the most adequate instruments.

Balma Capoduri, aware of the dynamism of the corporate activity, undertakes to adapt the present Code to the financial, commercial and organizational evolution of the Company, as well as to possible changes in the field in which it operates, also considering the possible violations found out by the competent corporate functions.

Staff, Directors, Statutory Auditors, consultants and suppliers must read the Code and be committed to follow its rules and principles. At this purpose, the Company undertakes to instruct Recipients about the contents of the Code.

### *6.2. Monitoring and reports*

As the adoption of the Code requires a punctual control on its complete and correct application, the Company undertakes to carry out periodical checks to monitor the effective knowledge of the Code and its strict observance.

Recipients must report any violations (or suspected violations) of the rules provided for by the Code to the Supervisory Body appointed according to the Legislative Decree 231/2001, using, among others, the dedicated e-mail address.

### *6.3. Disciplinary system*

The Company acknowledges the highest importance of the internal control system: the principles and rules provided for by the Code are part of the principles governing the working activities and are an essential part of the contractual obligations of the workers according to Article 2104 of the Italian Civil Code.

**Code of Ethics of Balma, Capoduri & C. S.p.A.**

The violations of these principles shall cause the application of sanctions, depending on the violations and according to the disciplinary system in force, in respect of the applicable law. The violations of the rules expressed in the Code may cause the termination of both the working relationships with the employees and collaborators and of the commercial relationships with suppliers responsible of the conduct.