

Introduction

SEPAM is a company that has been operating successfully for over fifty years in the machining industry. It pays special attention to promoting the application of ethical principles to its business. The Code of Ethics is a set of principles and guidelines that are designed to inspire SEPAM Srl's activities and guide the behaviour not only of its employees, but also of all those people whom the Company deals with, to ensure that in SEPAM Srl efficiency and reliability are combined with an ethical conduct. In drafting the Code, account was also taken of the indications provided by Confindustria which has drawn up Guidelines for the development of organisational, management and control models to be adopted for the prevention of the offences referred to in Italian Leg. Decree no. 231 of 8 June 2001 governing the administrative liability of companies. These Guidelines provide, among the most significant components of the control system, for the adoption of a Code of Ethics and recommend that the components of the control system be aligned with a series of principles which were taken into account when preparing this Code. Consequently, this Code of Ethics is a fundamental component of the organisational model and of the internal control system, in the belief that ethics in the conduct of business forms the basis for the company's success.

Recipients and values

This Code is addressed to management, employees, temporary workers, consultants and collaborators of any kind, agents, attorneys, any other person who may act in the name and on behalf of SEPAM Srl and, in general, to all those people whom SEPAM Srl deals with (the Recipients). In carrying out its activities, both in Italy and abroad, it embraces the principles of the Code of Ethics, inspired by values of impartiality, fairness and transparency and complying with applicable legislation.

Internal relations

SEPAM Srl recognises the value of human resources. It protects their physical and moral integrity, and promotes the continual enrichment of their technical and professional skills.

In interacting with each other, Recipients must avoid any discrimination owing to age, health, gender, religion, race or political and cultural opinions, and keep good-mannered conduct.

Relations between Recipients must be based on the respect for each single person as such and for the activities such person carries out in the organisation.

Performance of activities

Recipients must behave honestly and in good faith, with diligence, efficiency and fairness, basing their conduct on cooperation and mutual collaboration, in compliance with internal procedures. The activity of all individuals is inspired by the desire to increase their skills and improve their professional expertise.

Every activity performed on behalf of SEPAM Srl is aimed exclusively at satisfying its interests. Consequently, any situations of conflict between personal interest and SEPAM Srl's interest should be avoided or, at least, communicated in advance.

To protect the company's assets, any data and information processed in executing the activities must be kept confidential.

In business dealings with third parties, donations, benefits (whether direct and indirect), gifts and acts of courtesy and hospitality are forbidden, unless they are of such a nature and value that they cannot be interpreted as aimed at obtaining preferential treatment and, in any case, do not compromise the company's image.

Technology and innovation

SEPAM Srl promotes the continuous updating and technological evolution of its products and services, in order to achieve the highest standards of quality. We seek the best opportunities offered by the national and international market and we foster the inventiveness of our staff, in accordance with current legislation.

Administrative management and financial statements

Financial statements and any other type of accounting documentation are drawn up in compliance with current laws and regulations. We adopt the most advanced accounting principles and standards and are inspired by the principle of transparency in our relations with and from all *legitimate stakeholders who hold an interest in the company activities*, representing faithfully the management events according to criteria of clarity, truthfulness and fairness in compliance with internal procedures.

Relations with Suppliers

We choose our Suppliers according to principles of objectivity, expertise, affordability, transparency and fairness, in compliance with internal procedures.

Suppliers are required to comply with the labour laws, uses and customs existing in their country, with the prohibition of any discrimination on grounds of race, nationality, gender and religion, when recruiting personnel, and with the prohibition of using child labour or prisoners against their will, when performing their business activities.

Relations with Customers

In our relations with Customers, we strive to fully meet their needs and create a solid relationship inspired by general principles of fairness, honesty, efficiency and professionalism. Any communications and advertisements addressed to Customers are based on criteria of simplicity, clarity and completeness, avoiding the use of any misleading and/or incorrect practices.

Relations with the Public Administration

The relations that SEPAM Srl holds with the Public Administration, public officials or persons in charge of a public service must be based on strict observance of applicable legal and regulatory provisions and must in no way compromise the integrity or reputation of SEPAM Srl.

The undertaking of commitments and the management of relations with the aforementioned parties are reserved exclusively for the company departments in charge of these matters and for authorised personnel, in compliance with internal procedures.

When holding relations with these parties, Recipients must refrain from offering, even through a third party, money or other benefits to the public official involved, to his/her family members or persons in any way connected to him/her, and from seeking or establishing personal relations of favour, influence or interference such as to directly or indirectly affect the activity of such parties.

Environmental protection

In carrying out their activities, Recipients undertake to comply with current legislation on environmental protection and safeguarding and encourage business conduct based on compliance with the following principles: - do not pollute; - constantly optimise the use of resources; - develop ever more environmentally friendly products.

Protection of corporate assets

Each Recipient is responsible for protecting and preserving the tangible and intangible assets as well as the resources, whether human, material or immaterial, entrusted to him/her to carry out his/her duties.

Any use of the above assets and resources that is against SEPAM Srl's interests or is dictated by professional reasons unrelated to the employment relationship with SEPAM Srl, is forbidden.

IT Code of Ethics

The IT Code of Ethics is considered an integral and inseparable part of this Code of Ethics and is subject to all the rules that regulate the latter. Whenever the Code of Ethics is mentioned, any reference to it shall also be considered as referring to the IT Code of Ethics.

Implementation of the Code

Application and compliance with the Code of Ethics are monitored by Top Management which also promotes initiatives for spreading its knowledge and comprehension.

Any breach of the Code may be reported at any time to Top Management or to the internal control manager who will ensure that the identity of the whistleblower remains confidential, unless otherwise provided for by law.

Reports, just like any other breach of the Code identified following other assessment activities, are promptly evaluated by Top Management in order to adopt any disciplinary measures.

Confidentiality

All Recipients undertake:

to consider all of the data, documents, materials and in any case all information - in whatever form or by whatever medium - received or obtained to perform their task as strictly private and confidential and as the exclusive – material and intellectual – property of the Client and, therefore, to take all necessary measures to avoid causing harm to the Client and avoid damaging the confidentiality, secrecy and confidentiality of the aforementioned data, documents, materials and information; to use such data, documents, materials and information for the sole purpose of carrying out their task and the subsequent computer and language processing activities for the time strictly required for their execution; to communicate and/or deliver the data, documents, materials and information received from the Client exclusively to company personnel, employees, consultants and collaborators who require their knowledge to perform the task entrusted to them by the Client; it is understood that each person who has knowledge of such data, documents, materials and information for the above needs will be subject to the same obligations and conditions contained herein; not to disclose, publish or otherwise disseminate or divulge to third parties the aforementioned data, documents and information except for the computer and language processing activities lacking any reference to the Client and resulting from their professional expertise and management in executing the service; not to copy and/or reproduce in any way or form, in whole or in part, the aforementioned data, documents, materials and information - except where necessary for operational needs and for performing the task.

Sanctions

The employees of SEPAM Srl consider compliance with the rules of the Code of Ethics an essential part of their contractual obligations. Violating these rules, therefore, constitutes a breach of the primary obligations of the employment relationship or a disciplinary offence, and entails the adoption of disciplinary measures proportionate to the severity or recidivism or to the degree of fault, in compliance with the provisions under art. 7 of the Workers' Statute, with all legal consequences, also with regard to the preservation of the employment relationship and any compensation for damages.

The provisions of this Code also apply to temporary workers who are required to comply with its rules. Breaches are sanctioned by disciplinary measures taken against them by the respective temporary employment agencies.

Breach of the Code by Suppliers, collaborators, external consultants and other Recipients other than the above individuals, is taken very seriously, leading – in the event that the relationship is governed by a contract – to termination of the contract, in compliance with the law and the contract and without prejudice to the right to compensation for damages and the possibility of a criminal trial being initiated in cases where an alleged offence has been committed.

Final provisions

This Code of Ethics is approved by General Management. Every update of the Code is approved by Top Management.

Legal Representative

Elisa Pedretti

