

SOMFY ETHICS



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/ INTRODUCTION

The Somfy Group has been built around strong values that guide our actions as a responsible company, and our behaviour that respects all our stakeholders. The majority shareholders of the Somfy Group share with its managers and employees the desire to continue to promote these values on which the success of our Group is founded. Together, they reaffirm the need to embody these values through exemplary actions, in keeping with the Somfy Spirit.

As it continues to grow, the Somfy Group benefits from greater visibility in many countries and on increasingly diversified markets. Our leading position in several of our business segments and our ambitions for the future imply greater responsibilities which we readily accept. The Group therefore wishes to continue demonstrating exemplary behaviour in its day-to-day activities. Indeed, the success of our Group will not last unless we clearly assert our requirements as an ethical and responsible business.

In this context, the Somfy Group has drawn up an Ethics Charter which will become a point of reference in terms of individual and group behaviour, and by guiding our day-to-day activities will allow us to embody our corporate values. We want to make this a Charter that brings people together, and share our aspirations with the men and women who join our Group.

This Charter is aimed at each one of us, whatever our role, and whatever the entity or country in which we operate. Somfy managers are tasked with embodying these values and instilling the related principles in their teams.

JEAN GUILLAUME DESPATURE, Chairman of the Board of Directors
PIERRE RIBEIRO, Managing Director

/ WHY DO WE NEED AN ETHICS CHARTER?

TO EMBODY THE GROUP'S LONG-STANDING VALUES AND CULTURE

The Somfy Group wants to pursue its international development while preserving its long-standing values and culture that have built its success and which are embodied by its people in their day-to-day activities.

At a time when the Group is acquiring new entities, this formalisation of our principles will help them to understand and share our values and will encourage the convergence of practices and behaviour.

Furthermore, the Group wants to strengthen the confidence of its stakeholders in the ethical way it conducts its affairs while complying with the regulations in force.

The purpose of this Charter is to support each employee, wherever he/she is in the world, in his/her efforts to maintain this confidence, which will secure the Group's sustainable growth.

TO DEFINE OUR ETHICAL PRINCIPLES

The Somfy Group defines business ethics as follows:

- compliance with laws and regulations in all its activities and everywhere it operates;
- respect for our internal and external stakeholders;
- promotion of responsible professional practice by all employees.

The present Ethics Charter sets out our commitments in order to:

- assert the way we want to work together (inside and outside the company);
- remind us of everyone's responsibilities and the exemplary behaviour expected of managers;
- provide answers to complex situations or potential dilemmas.

THESE GUIDELINES SET OUT OUR PRINCIPLES IN FIVE AREAS:

1/ COMPLIANCE WITH LAWS & REGULATIONS

2/ UPRIGHT BEHAVIOUR

3/ RESPECT FOR PEOPLE

4/ INTEGRITY TOWARDS OUR CUSTOMERS & OUR BUSINESS & FINANCIAL PARTNERS

5/ RESPONSIBILITY TOWARDS SOCIETY & THE ENVIRONMENT

TO HAVE A UNIFYING DOCUMENT

The Ethics Charter represents shared values that unite all employees of the Somfy Group, in all of its entities, around the same foundation of principles.

The Charter is given to all new employees and should serve as a reference document to help managers and employees make the right decisions in case of doubt. The Charter also serves to encourage dialogue between employees, ensuring that the topic of ethics is open and familiar to all.

This Charter fully respects local laws and regulations, but the principles it defines for some specific subjects may be more ambitious. In such cases, the principles of the Charter shall apply.

All of the Group's managers and employees should ensure they respect these commitments in their day-to-day activities. Everyone is responsible for behaving in accordance with these principles, in all situations.

TO REMIND US OF OUR RESPONSIBILITIES TOWARDS OUR STAKEHOLDERS

This Charter notably covers behaviour in relation to all stakeholders that may have an interest in the Group's activities.

These stakeholders can be directly related to the Group:

- Employees
- Shareholders and financial partners
- Employee representatives

Or they may be less directly related:

- Clients and partners
- Suppliers and service providers
- Competitors
- Public authorities
- Society
- Local populations of our sites
- The media

This Ethics Charter is accessible to all on the Somfy Group's website. In its business relations, Somfy requires all of its stakeholders to apply the same principles of exemplarity and to comply with the ethical guidelines described hereafter.

1

/ COMPLIANCE WITH
LAWS & REGULATIONS

/ OUR ETHICAL PRINCIPLES

FOR THE SOMFY GROUP AND ITS EMPLOYEES, COMPLIANCE WITH THE LAWS AND REGULATIONS APPLICABLE IN THE COUNTRIES WHERE THEY OPERATE IS A FUNDAMENTAL REQUIREMENT.

They are careful to apply the legal and regulatory requirements relating to business, accounting, financial, fiscal, employment and environmental matters, and especially to:

- respect competitive rights and intellectual property rights;
- combat fraud, bribery and corruption;
- prevent insider trading.

/ IN PRACTICE

☞ The Group ensures it **understands and respects the legal and regulatory framework** in which it operates, before and throughout the implementation of its projects.

☞ Through the procedures it establishes and the behaviour it expects from its employees, the Somfy Group establishes conditions for **free and fair competition**, particularly by rejecting unlawful collusion with competitors (e.g. on prices or market share), and respecting their intellectual property.

☞ The Group and its employees **reject all fraudulent practices** including financial and accounting manipulation.

☞ Even if it does not serve solely to satisfy a personal interest and may be committed in pursuit of profit for the company (e.g. securing a contract or administrative convenience), any act of **active or passive corruption or traffic of influence** is strictly prohibited (see the Somfy Anti-Corruption Code of Conduct).

☞ The Somfy Group is a listed company. Whether on a list of insiders or not, employees in possession of inside information (information of a precise nature which has not been made public, relating directly or indirectly to Somfy SA or its securities, and which if made public could have a significant influence on the share price) must abstain completely from:

- buying or selling, or attempting to buy or sell company securities;
- divulging, or attempting to divulge inside information outside the normal course of their employment, profession or duties;
- recommending, or attempting to recommend that someone else buy or sell company securities;
- acting upon or communicating a recommendation or incitement made by an insider if this person knows or should know that this is based on insider information.

These restrictions cease to apply as soon as information is made public.

The violation of these restrictions may constitute a breach of conduct or insider trading and be liable to administrative or criminal penalties.



/ USEFUL TEXTS

- Applicable local and national law
- OECD convention on combating the bribery of foreign public officials
- The so-called 'Sapin 2' Act, a French law with extraterritorial application, on transparency, combating corruption and the modernisation of business practice
- The Somfy Anti-Corruption Code of Conduct and its annexes
- Values of the Somfy Group
- Somfy Spirit
- Code of Ethics aimed at preventing crimes and insider trading

KEY QUESTIONS

- **DO I UNDERSTAND THE LAW AND REGULATIONS APPLICABLE TO MY ACTIVITIES AND THE COMPANY PROCEDURES THAT HELP ME FOLLOW THEM?**
- **DO I HAVE ANY DOUBTS OVER THE LEGALITY OF INITIATIVES THAT I MAY CARRY OUT IN THE CONTEXT OF MY WORK?**
- **IN A RISK SITUATION ON SOME MARKETS, HAVE I GAINED APPROVAL FROM MY SUPERIOR AND FROM THE COMPANY LAWYERS ON THE ACTION TO BE TAKEN?**
- **HAVE I EXPRESSED MY CONCERNS, IF ANY, ABOUT POTENTIAL INSIDER TRADING AS PART OF A TRANSACTION INVOLVING THE COMPANY?**

2

/ UPRIGHT
BEHAVIOUR

/ OUR ETHICAL PRINCIPLES

THE SOMFY GROUP AND ITS EMPLOYEES ACT IN A LOYAL WAY, NOTABLY BY:

- making good use of the Group’s assets;
- preventing conflicts of interests;
- protecting confidential information.

/ IN PRACTICE

- 🔗 The Group’s **reputation** and image are precious assets that must be protected. Individuals who communicate on its behalf must be specifically authorised to do so. Employees undertake not to communicate confidential information. They ensure their behaviour is loyal in relation to the Group.
- 🔗 Employees’ use of information technology and the Internet represents a potential additional source of damage to the Group’s image. Employees undertake **to be vigilant in the way they communicate about the Group, particularly via social media.**
- 🔗 The use of the Group’s property (premises, equipment, funds, and resources) must remain within the working environment.
- 🔗 Employees must avoid any real or apparent **conflict of interests**. Employees must take care that their personal situations and interests and those of people close to them do not undermine their integrity towards the Group. Employees must inform their superiors and/or the financial controller of any personal connections or financial interests that could affect the objectivity and credibility of their decisions.
- 🔗 **Gifts and invitations** received by employees or obtained from third parties can cause a conflict of interests or constitute an act of corruption. Their acceptance must be approved by management and should take into account the context of each country, in accordance with its regulations, customs and business environment (see the Somfy procedure on Gifts and Invitations).
- 🔗 **Confidential information**, in other words information concerning the Group, its employees and partners, which is not public, must be protected. Employees must take care not to communicate without permission any technical, commercial, financial or managerial information where confidentiality obligations may exist. Employees must demonstrate the greatest discretion on public transport and in their private lives.



/ USEFUL TEXTS

- 🔗 Values of the Somfy Group
- 🔗 Somfy Spirit
- 🔗 Somfy Anti-Corruption Code of Conduct and its annexes
- 🔗 Human Resources policy
- 🔗 IT Charter

KEY QUESTIONS

- WHEN I COMMUNICATE PUBLICLY OR VIA SOCIAL NETWORKS IN A PERSONAL CAPACITY, DO I EXERCISE THE NECESSARY DISCRETION AND CAUTION, AND AVOID DENIGRATING THE GROUP OR ONE OF ITS STAKEHOLDERS?
- WHEN A MEMBER OF MY TEAM ASKS ME, AS A MANAGER, WHETHER HE/SHE CAN ACCEPT A GIFT THAT MIGHT BE CONSIDERED UNUSUAL OR SIGNIFICANT FROM A PARTNER, DO I THINK TO CONSULT THE ETHICAL GUIDELINES THAT COULD HELP ME?
- WHEN I TRAVEL BY PUBLIC TRANSPORT, DO I TAKE CARE NOT TO DISCUSS WITH COLLEAGUES OR WORK OPENLY ON HIGHLY CONFIDENTIAL COMPANY PROJECTS, INCLUDING THOSE RELATING TO INNOVATION, MANAGEMENT, CUSTOMERS OR PURCHASES?
- IF A COMPANY HEADED BY SOMEONE CLOSE TO ME ENTERS INTO DISCUSSIONS WITH THE GROUP, DO I INFORM MY SUPERIOR OR THE RELEVANT INTERNAL TEAMS TO ENSURE THE SITUATION CANNOT BE REGARDED AS A CONFLICT OF INTERESTS?

3

/ RESPECT
FOR PEOPLE

/ OUR ETHICAL PRINCIPLES

THE SOMFY GROUP AND ITS EMPLOYEES ENSURE THEY RESPECT PEOPLE AFFECTED BY THEIR ACTIVITIES.

This means a commitment to:

- respect differences, encourage diversity and refuse discrimination;
- respect and protect the personal data of our employees, clients, partners and other stakeholders;
- protect the health and safety of employees and partners of the Group, and ensure they have decent working conditions;
- strive to develop the skills and employability of the workforce;
- seek professional fulfilment for its employees and respect their privacy;
- guarantee constructive social dialogue.

/ IN PRACTICE

☞ The Somfy Group and its employees scrupulously implement the regulations concerning the organisation of labour of the countries in which they operate, and subscribe to the principles and objectives of the **fundamental conventions of the International Labour Organisation (ILO)**. Thus the company prohibits any form of child or forced labour, supports the creation of constructive social dialogue, and rejects all forms of discrimination.

☞ **The respect for the differences and dignity of individuals** is a duty, and diversity is a strength for the Somfy Group, which ensures that its employees are treated with respect and fairness within the Group, whatever their gender, origins, religion, age, appearance, sexual orientation, health, disability or political beliefs.

☞ **The health and safety** of employees and people associated with the Group are a priority, and employees must ensure they respect existing procedures, do not present a risk to others, and alert where necessary of situations that do not comply with these requirements.

☞ **The protection of personal privacy and data** is a major issue in terms of corporate responsibility. Personal data is protected by local legislation and by company regulations appearing in several internal procedures. These must be respected, just as individuals' private lives must be respected.

☞ **The Group prohibits all forms of harassment**, including moral and sexual. The Group aims to adopt responsible management practices that respect individuals, and enable everyone to work in a professional environment that encourages their fulfilment.



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/ USEFUL TEXTS

- 🔗 Fundamental conventions of the International Labour Organisation
- 🔗 Values of the Somfy Group
- 🔗 Somfy Spirit
- 🔗 EU Regulation 2016/679 of 27 April 2016: General Data Protection Regulation (GDPR)
- 🔗 Human Resources policy
- 🔗 Corporate Social Responsibility (CSR) policy
- 🔗 IT Charter
- 🔗 Group Comprehensive Policy on IT Security

KEY QUESTIONS

- IF I LEARN OF BEHAVIOUR THAT DOES NOT RESPECT DIFFERENCES IN PEOPLE WITH WHOM I WORK, DO I THINK TO INFORM MY SUPERIOR OR THE HUMAN RESOURCES MANAGERS?
- DO I HAVE SUFFICIENT KNOWLEDGE OF THE SAFETY RULES THAT CONCERN GROUP SITES WHERE I WORK?
- DO I ALWAYS GAIN APPROVAL FROM MY SUPERIORS OR THE HUMAN RESOURCES DEPARTMENT REGARDING THE POTENTIAL COMMUNICATION OF INFORMATION ON EMPLOYEES (PRESENCE IN THE WORKFORCE, PERSONAL OR PROFESSIONAL STATUS, ETC.) IF THE RECIPIENT IS OUTSIDE THE GROUP?
- WHEN A FILE OR DOCUMENT IS CREATED CONTAINING PERSONAL INFORMATION RELATING TO AN INDIVIDUAL, DO I CHECK THE LEGALITY OF INFORMATION IT CONTAINS OR REQUESTS, IN LINE WITH APPLICABLE LOCAL LAW?
- WHEN A COLLEAGUE FEELS HE/SHE HAS BEEN A VICTIM OF PSYCHOLOGICAL PRESSURE OR INAPPROPRIATE BEHAVIOUR FROM COLLEAGUES OR SUPERIORS, DO I ADVISE HIM/HER TO DISCUSS THE MATTER WITH THE HUMAN RESOURCES MANAGERS?

4

/ INTEGRITY TOWARDS
**OUR CUSTOMERS &
OUR BUSINESS &
FINANCIAL PARTNERS**

/ OUR ETHICAL PRINCIPLES

THE SOMFY GROUP AND ITS EMPLOYEES CONSIDER THEIR INTEGRITY TOWARDS CUSTOMERS, END USERS, SUPPLIERS, SERVICE PROVIDERS AND OTHER BUSINESS AND FINANCIAL PARTNERS TO BE A FUNDAMENTAL ETHICAL PRINCIPLE.

This includes:

- ensuring above all else the quality of products and services and the safety of customers and end users;
- striving to form long-term relationships with our suppliers and service providers;
- implementing responsible commercial practices and communication;
- producing reliable and transparent financial information and ensuring this is disclosed in a way that respects equality between shareholders.

/ IN PRACTICE

In all its products and services, the Group respects the regulations and standards in force in terms of the **quality of products and services and the safety of customers and end-users**. The Group and its employees set high standards in terms of quality and safety, in order to provide the best solutions for customers and maintain their trust.

The Group establishes **long-lasting and responsible relations with its suppliers and service providers**. This results in the respect of contractual undertakings, the fair treatment of applicants bidding for tenders, and the requirement for the independence and business viability of partners. Somfy shares with its suppliers and service providers its ethical, social and environmental concerns, and incorporates its requirements in these areas into its general purchasing conditions and its framework contracts.

Responsibility and the respect for partners in **commercial practices and communication** are essential in order to protect the Group's long-term interests. Everyone must ensure they produce truthful, objective and reliable information, notably concerning products and their characteristics, and must ensure they meet legal or contractual requirements for transparency.

The equality of shareholders is respected, as set out in the applicable financial regulations. To this end, the management of the Somfy Group ensures they publish **truthful, reliable and transparent financial information**. Financial statements, transactions and any other information that may affect the share price are communicated in accordance with laws and market regulations.



/ USEFUL TEXTS

- Values of the Somfy Group
- Somfy Spirit
- Framework purchasing contracts
- Somfy general purchasing conditions
- Human Resources policy
- Quality Charter

KEY QUESTIONS

- DO I REMEMBER TO REPORT TO MY SUPERIORS ANY PROBLEM ENCOUNTERED WITH ONE OF THE GROUP'S PRODUCTS THAT COULD COMPROMISE THE SAFETY OF PEOPLE INSTALLING OR USING IT?
- DO THE TERMS I REQUIRE FROM SUPPLIERS REGARDING DEADLINES OR PAYMENT, FOR EXAMPLE, RESPECT THE CONTRACTUAL COMMITMENTS WE HAVE AGREED WITH THEM?
- IN CASE OF DOUBT OVER THE ABILITY OF A SERVICE PROVIDER TO FULFIL THEIR SOCIAL OR ENVIRONMENTAL COMMITMENTS, DO I THINK TO DISCUSS THIS WITH MY SUPERIOR OR THE TEAM RESPONSIBLE FOR THE CONTRACTUAL RELATIONSHIP WITH THIS SERVICE PROVIDER?

5

/ RESPONSIBILITY

**TOWARDS SOCIETY &
THE ENVIRONMENT**

/ OUR ETHICAL PRINCIPLES

THE SOMFY GROUP AND ITS EMPLOYEES OPERATE WITHIN THE FRAMEWORK OF CORPORATE SOCIAL RESPONSIBILITY, INCLUDING AN UNDERTAKING TO:

- listen to members of society and their representatives: elected officials, local populations, associations, etc.;
- behave in a good citizenship towards these parties;
- respect the environment throughout the value chain;
- maintain political neutrality.

/ IN PRACTICE

📌 **The acceptability of the Group's activities** by society is a major factor in its development. In this context, the Group's companies and employees have an attitude of openness and ensure they listen to the needs of local and national elected officials, populations local to its sites, and associations.

📌 The Group implements its **commitment to society** through public interest initiatives, including training, innovation and research. In addition, the Somfy Foundation sponsors actions relating to housing needs and encourages its employees to volunteer for some of its projects.

📌 **Respect for the environment** takes the form of procedures that comply with regulations, prevent risks and control the potential impact of production and sales activities. The Group implements an environmental progress strategy and aims to reduce the ecological impact of its products and operations.

📌 The Group intends to maintain **political neutrality** and refuses to make any financial or material contribution to political parties or election candidates, even where local legislation allows it, unless specific approval is granted by the Group's management board. Any employee taking part as an individual in elections or in a political initiative must not do so on behalf of the Group, and must not express their views in a political context as a representative or employee of the Group.



/ USEFUL TEXTS

- 🔗 Values of the Somfy Group
- 🔗 Somfy Spirit
- 🔗 Human Resources policy
- 🔗 Corporate Social Responsibility (CSR) policy

KEY QUESTIONS

- AM I AWARE OF SOMFY'S CORPORATE SOCIAL RESPONSIBILITY (CSR) GUIDELINES?
- DO I TAKE INTO CONSIDERATION THE ENVIRONMENTAL AND/OR SOCIAL RISKS AND IMPACTS BEFORE CHOOSING ONE SOLUTION OVER ANOTHER?
- DO I CONSIDER MY COMPANY TO BE OPEN TO AND RESPECTFUL OF THE LOCAL COMMUNITIES WITHIN WHICH WE WORK?
- IF I AM INVOLVED IN THE POLITICAL LIFE OF MY CITY, DO I ENSURE I NEVER PRESENT MYSELF AS AN OFFICIAL REPRESENTATIVE OF THE GROUP DURING MY POLITICAL ACTIVITIES?

/ HOW TO APPLY THE ETHICS CHARTER?

USING THE CHARTER

The Ethics Charter is a reference text for the Group.

- Each entity is responsible for defining the methods of disclosing and deploying the Charter among its teams. The Charter must be provided to every employee and included in the documents provided and explained to new employees.
- The administrative bodies and management regularly question entities on the ethical systems in place.
- When Somfy is considering investing in new companies, the Group ensures they are prepared to comply with this Charter.

This Charter fully respects local laws and regulations, but the principles it defines for some specific subjects may be more ambitious. In such cases, the principles of the Charter shall apply.

By examining their own practices with the aid of key questions, employees can assess whether they are complying with the Charter, which should be followed in spirit as well as in letter.

If the answer to a key question raises an ethical dilemma, employees must immediately consult the appropriate internal superiors, in accordance with the procedures stated below.

IN CASE OF DOUBT

Because these guidelines cannot be exhaustive and provide answers to every possible situation, employees can approach a difficult situation by considering the following questions:

- **HAVE I ENSURED THAT THE APPLICABLE LAW IS BEING RESPECTED?**
- **ARE THE GROUP'S INTERNAL PROCEDURES BEING APPLIED?**
- **DO I FEEL COMFORTABLE TALKING ABOUT THIS WITH MY FAMILY?**
- **IF I WAS QUESTIONED ABOUT THIS AT A LATER STAGE, WOULD I FEEL COMPLETELY COMFORTABLE WITH WHAT I WOULD SAY?**
- **WHAT DAMAGE WOULD BE DONE TO THE GROUP IF THE ISSUE WAS REVEALED IN THE MEDIA?**

In addition to these questions, employees can consult in terms of the understanding or application of the Charter or the resolution of an ethical dilemma.

For any information or advice, employees should **approach their superior or local ethics contact**: a network of specially trained ethical officers has been set up to facilitate contacts and questions at a local level.

Should such consultation be impossible or unsatisfactory, the Group has set up an ethical committee that can be contacted by all employees **in their own language and in complete confidentiality**. This committee is made up of representatives from several departments: Human Resources, Compliance, Legal and Business Divisions.

When Somfy is a simple investor in companies that are not integrated into the Group's operational organisation, its representatives within the management/control teams are responsible for the principles and commitments of this Charter.

The Ethics Committee can be contacted at the address below:

<https://compliance.somfy.com/somfy/alert>



The purpose of the committee is to ensure that all issues are handled reliably and fairly, **while protecting the identity of the person who has contacted them**, including from their superiors and from people implicated in the situation under review, if such protection is requested.

These consultations are essential to ensure the respect of our ethical principles and the Group's responsibility. In no case can they lead to punishment, and no disciplinary measure can be taken against an employee for having sought advice or having raised an ethical dilemma in good faith.

A specific procedure dedicated to this alert system has been formalized. In particular, it describes the rights and duties of any person wishing to use this mechanism, the process for handling alerts received, as well as the related security and confidentiality rules in order to protect the personal data collected under this mechanism. It is strongly recommended to refer to it.

All documents relating to the Group's ethical approach are available on its intranet.



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