



CODE OF ETHICS

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Foreword

The Code of Ethics sets out the values and commitments based on which Forge Monchieri intends to set up its activities and relations with its stakeholders, consistent with its mission and with respect for the social, economic, environmental and cultural context in which it operates.

The formal adoption of these principles is intended to highlight Forge Monchieri' s need, commitment and willingness to combine sound economic management with respect for people and the environment in which it is embedded, in the pursuit of its goals.

The code of ethics applies to the entire organization and is consequently binding on the conduct of all its employees and collaborators. In addition, Forge Monchieri requires conduct in line with the general principles of this code from all affiliated or possibly investee companies and major suppliers and customers. The code of ethics is valid both in Italy and abroad, while taking into consideration the cultural, social and economic diversity of the various countries in which Forge Monchieri operates.

Mission

“Steel Excellence in the Forging Industry”

Vision

"Being a successful, profitable, aware Company able to re-act"

Definition of stakeholders

Forge Monchieri believes that in order to achieve its objectives, it is essential to establish and develop positive ethical relationships with its reference stakeholders, i.e. those, public or private, Italian or foreign, who directly influence the company's activities or are directly or indirectly affected by them.

Thus, stakeholders include shareholders, management, employees, collaborators, customers, suppliers and business partners. In a broader sense, stakeholders are also all those individuals or groups, as well as the organizations and institutions that represent them, whose interests are affected by the direct and indirect effects of Forge Monchieri' s activities: this includes the local and national communities in which Forge Monchieri operates, Trade Union Representatives, environmental associations, future generations, etc.

Map of Forge Monchieri 's stakeholders



Unethical Behaviors

In the conduct of business, unethical behaviors undermine the relationship of trust between Forge Monchieri and its stakeholders. In principle, the behavior of anyone, whether an individual or an organization, who seeks to appropriate the benefits of others' cooperation by exploiting positions of strength is unethical and encourages hostile attitudes toward the company.

Core Values

Spirit of Innovation

Innovation represents the tool for building the future of Forge Monchieri, through the search for new technical solutions for forging, heat treatment and product control. More generally, each employee within his or her area of expertise can act with a spirit of innovation, identifying points of improvement that when added together lead to excellence in the production of forgings.

Sharing

To achieve important goals, it is necessary to work as a team that shares experience, personal skills, and available resources. Only through sharing can a result be achieved that is greater than the sum of the elements involved, ensuring that Forge Monchieri achieves ambitious results.

Customer centrality

The customer is the true employer of all Forge Monchieri employees, as customer dissatisfaction or, even worse, loss is a serious detriment to the company's future. It is therefore essential that all efforts are focused on customer satisfaction in order to build a long-lasting partnership that allows both to develop and achieve their goals.

Culture of Quality

"Details make quality and quality is not a detail," words of Cavalier Gianfranco Monchieri, founder of the company. This phrase sums up the culture of quality that must enter the spirit of every employee and animate his or her work. Conformity of products, punctuality of services and in general excellence of quality level in every activity performed are fundamental requirements to compete in today's market.

Structure of the Code of Ethics

The Code of Ethics is divided as follows:

- **Part One:** general principles in relations with stakeholders, which define the reference values in Forge Monchieri's activities;
- **Part Two:** criteria for conduct toward each class of stakeholders, which specifically provide the guidelines and standards to which Forge Monchieri employees are expected to adhere, for compliance with the general principles and to prevent the risk of unethical behavior;
- **Part Three:** implementation mechanisms, which describe the control system for compliance with the code of ethics and for its continuous improvement.

PART ONE: General Principles

Confidentiality

Forge Monchieri ensures the confidentiality of information in its possession in accordance with current national legislation on the protection of personal data.

Employees and collaborators maintain the confidentiality of news and information learned in the performance of their activities and that are not subject to transparency in accordance with the law and regulations, with particular reference to:

- know-how and all that is protected by industrial secrecy
- business, strategic, economic, financial, accounting, commercial, management and/or operational plans
- projects and investments
- business parameters of production and operations and productivity
- corporate agreements and commercial contracts

In addition, employees and collaborators of Forge Monchieri are required not to use confidential information for purposes unrelated to the conduct of their business.

Value of human resources

Forge Monchieri's employees and collaborators are an indispensable factor in its success. For this reason, Forge Monchieri protects and promotes the value of human resources with the aim of improving and increasing the wealth and competitiveness of the skills possessed by each one.

To ensure full respect for human rights, which are internationally recognized, and to avoid any form of complicity in their violation, Forge Monchieri will under no circumstances make use even indirectly of forced labor or child labor.

Fairness of responsibility

In the management of contractual relationships involving the establishment of hierarchical relations, especially towards employees, Forge Monchieri is committed to ensuring that responsibility is exercised with equity and fairness, avoiding any abuse. Forge Monchieri ensures that responsibility does not turn into the exercise of power detrimental to the dignity and autonomy of the employee, and that the choices of work organization safeguard the value of each person.

Integrity of the person

Forge Monchieri guarantees the physical and moral integrity of its employees and collaborators, working conditions that respect individual dignity, and safe and healthy

working environments. Therefore, requests or threats aimed at inducing people to act against the law and the code of ethics, or to adopt behaviors detrimental to each person's moral and personal beliefs and preferences are not tolerated.

Transparency and completeness of information

Forge Monchieri is committed to providing complete, transparent, comprehensible and accurate information, so that, in setting up relations with the company, stakeholders are able to make autonomous decisions aware of the interests involved, the alternatives and the relevant consequences. In particular, in the formulation of any contracts, Forge Monchieri takes care to specify to the contractor the conduct to be adopted in all the circumstances envisaged, in a clear and comprehensible manner.

Diligence and accuracy in the execution of tasks and contracts

Contracts and work assignments must be performed as consciously agreed upon by the parties. Forge Monchieri undertakes not to exploit conditions of ignorance or incapacity of its counterparts.

Fairness and equity in the management and possible renegotiation of contracts

It is to be avoided that in existing relationships, anyone acting in the name and on behalf of Forge Monchieri tries to take advantage of contractual gaps, or unforeseen events, to renegotiate the contract for the sole purpose of exploiting the position of dependence or weakness in which the counterparty has found itself.

Quality of services and products

Forge Monchieri directs its activities to the satisfaction and protection of its customers by listening to requests that can promote an improvement in the quality of products and services. For this reason, Forge Monchieri directs its research, development and marketing activities to high quality standards of its services and products.

Fair Competition

Forge Monchieri intends to protect the value of competition by refraining from unfair behavior and respecting the intellectual property rights of others, national and international antitrust regulations, all customs and export regulations.

Responsibility to the community

Forge Monchieri is aware of the influence, even indirectly, that its activities can have on the conditions, economic and social development and general well-being of the community, as well as the importance of the social acceptance of the communities in which it operates. For this reason, Forge Monchieri intends to conduct its investments in an environmentally sustainable manner, respecting local communities and supporting initiatives of cultural and social value in order to achieve an improvement in its reputation and social acceptance.

Environmental protection

The environment is a primary asset that Forge Monchieri is committed to safeguarding; to this end, it programs its activities by seeking a balance between economic initiatives and unavoidable environmental needs, in consideration of respect for future generations. Forge Monchieri is therefore committed to improving the environmental and landscape impact of its activities, as well as preventing risks to populations and the environment not only in compliance with current regulations, but also considering the development of technology and best practices in the field.

Health and Safety Protection

Forge Monchieri supports and implements the organization of work in accordance with the principles of Health and Safety at Work as defined in the Consolidated Safety Act published with Legislative Decree 81/08 (and following), promoting a policy of assessment, management and control of risks, both general and specific, peculiar to the work environment of reference.

The company adopts and employs its resources so that the contents of Legislative Decree 81/08 are complied with; each employee is adequately informed and trained, in accordance with the provisions of Legislative Decree 81/08, about the prevention of risks and is made responsible for the proper management of his or her own and/or others' safety against the dangers of his or her reference environment.

PART TWO: Criteria for conduct in external and internal relations

Criteria of conduct in relations with Members

With respect to its Shareholders, Forge Monchieri is committed to:

- enhance their investment, while adopting a socially responsible management that complies with internationally recognized criteria of diligence;
- operate in such a way as to protect the company's resources, avoiding improper uses that may cause damage or reduce efficiency, while always making the company's interests prevail over the particular interests of individual Shareholders;
- keep all confidential information related to the Companies' sphere of activity strictly confidential;
- to provide Shareholders with clear, complete and timely information on corporate strategies, respecting the right of all Shareholders, including minority Shareholders, to receive the same information in order to make free and responsible decisions;
- ensure the reliability of accounting information, which must correctly represent operating events and provide the tools to identify and prevent financial and operational risks;
- facilitate the dialogue between administrative bodies and shareholders' meetings, ensuring that the meetings are regularly held and that representatives of the administrative body attend them.

Criteria of conduct in relations with employees and collaborators

Regarding its employees and collaborators, including managers, Forge Monchieri is committed to:

- acquire only the resources necessary to meet concrete and contingent business needs, based on the profile required for the vacant positions and respecting equal opportunities, avoiding favoritism and discrimination related to the non-professional sphere;
- not to carry out any discrimination between employees and collaborators, guaranteeing the same opportunities and treatment, regardless of racial ethnicity, religion, age, disability, gender, marital status, sexual orientation, union membership, medical condition, pregnancy, political affiliation, or any other sensitive data.
- To provide a continuously developing work environment, based on professional development and the acquisition of increased skills, in which the skills and knowledge of each individual can be constantly enhanced and expanded;
- develop an appropriate culture of health and safety in the workplace;
- remunerate employees and collaborators in a manner that is proportional and appropriate to the tasks performed, recognizing incentive benefits only in relation to the criticality of the role held and related responsibilities;
- Respect the legal rights of workers, including trade union rights, by strictly applying current labor regulations and the relevant national collective bargaining agreement;

- to promote a serene company climate based on mutual respect, the absence of any form of bullying and polite and correct dialogue;
- not to tolerate internally any unacceptable treatment such as mental cruelty, sexual harassment, threats or abuse of power;
- to sanction employees and collaborators who abuse their hierarchical position to request personal favors from their subordinates or conduct that is unlawful or contrary to the principles contained in this Code of Ethics.

Criteria of conduct in customer relations

Relations with customers must be marked by the utmost professionalism and competence and respect for the confidentiality of information acquired. To protect the Company's image, it is necessary that every relationship be conducted, in compliance with the law, with transparency and independence. It is necessary to avoid encountering parties involved in illegal activities and/or lacking the requirements of seriousness and reliability, and to undertake relations with third parties who engage in activities harmful to the environment, health and indifferent to the rights of the person.

Criteria for conduct in supplier relations

Similar principles must be applied to relations with suppliers. Particular attention should be paid to the quality of the service rendered and the way it is carried out. In particular, suppliers should be selected on the basis of their competitiveness, taking into account elements such as quality, innovation, and reputation in the market, giving preference to relationships with suppliers that implement environmental protection policies.

Forge Monchieri will avoid the use of raw materials, coming from areas where there are conflicts or from high-risk areas, where respect for human rights is not guaranteed.

Criteria for conduct in community relations

Environmental Policy

Forge Monchieri has defined the environmental policy, through the definition of the system according to the UNI EN ISO 14001 standard. Forge Monchieri pursues full compliance with current regulatory provisions on the Environment, striving to prevent contamination of naturally occurring elements and support landscape-environmental protection of the industrial site.

Workplace Health and Safety Policy

Forge Monchieri has defined the workplace and safety policy through the definition of the system according to the UNI EN ISO 45001 standard.

Forge Monchieri aims at full compliance with the current regulatory provisions on Workplace and Safety, striving to ensure adequate control in this area and the prevention of situations that may be dangerous for workers.

Relations with the Public Administration

Relations of any kind with the Public Administration, Public Bodies and assimilated entities, are marked by the utmost integrity and fairness.

In particular, any form of gratuity to public officials, or to their family members, that could influence their independence of judgment or induce them to ensure Forge Monchieri any benefit is prohibited.

Forge Monchieri is also committed to providing full cooperation to public officials with whom it comes into contact by collecting, processing and providing all requested information in a timely manner; as well as to act with the utmost transparency and clarity in order not to mislead or mislead institutional subjects.

No form of bribery towards the PA will be tolerated. For the purposes of the foregoing, it should be noted that acts of corruption are to be understood as not only illicit payments, made directly, but also those made through third parties both in Italy and abroad.

PART THREE: Implementation arrangements

Supervisory Board

Forge Monchieri has established an internal Supervisory Board with the task of supervising the implementation of and compliance with this Code of Ethics and the Organization, Management and Control Model, implemented in compliance with the provisions of Legislative Decree 231/01.

Its duties are, among others, the following:

- Supervise the dissemination and observance of the Code;
- Coordinate company procedures implementing the indications contained in the Code;
- to propose amendments to the content of the Code and implementation mechanisms;
- reporting periodically to the Board on the activities carried out and issues that have arisen.

In carrying out the above, the body may rely on the support of external professionals.

Any violation of the Code, however detected, must be brought to the attention of the Supervisory Board. The Supervisory Board protects the authors of the reports from any retaliation they may face for reporting improper conduct and keeps their identity confidential, without prejudice to legal obligations.

Violation of the provisions set forth in the Code of Ethics constitutes non-fulfillment of the contractual obligations of the employment or functional relationship or professional collaboration, with all consequent legal and contractual effects.

Distribution

The Code of Ethics is made available to all stakeholders who request it at the company's headquarters.

Forge Monchieri, pursuing the aim of achieving maximum knowledge of the contents of the Code among directors, employees and collaborators, will plan with appropriate methods training and updating, structured according to the different function and task of the participants.

Forge Monchieri, through the preparation of a program of communication activities, will provide for informing all employees and collaborators about the provisions and methods of application of the Code of Ethics, recommending its observance. In particular, it provides for the interpretation and clarification of the principles and provisions contained therein, the verification of effective compliance with the Code, and the updating of the provisions with regard to the needs that arise as the context and reference environment change (e.g., company structure, sector, market).