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# Code of Conduct

## FORMENTI & GIOVENZANA S.P.A.

**Attachment to the Organisation and Management Model (pursuant to Italian Legislative Decree no. 231 of 8 June 2001 and Italian Legislative Decree no. 81 of 09 April 2008)**

Date: **18/02/14**

FORMENTI & GIOVENZANA SpA

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## GENERAL INFORMATION

The Code of Conduct is based on Rules of Conduct and Principles of Action which each Company director, manager, employee and collaborator is required to personally comply with. The application of these principles is a condition for membership in Formenti & Giovenzana SpA.

### **RULES OF CONDUCT**

The Rules of Conduct engage all our skills, knowledge and willingness to work with passion, enthusiasm and positive energy.

- a) Professional commitment** in carrying out tasks. It consists in the permanent implementation of the skills and know-how acquired, and involves their constant update. It implies each individual's effective contribution respecting, in particular, the environment, as well as health and safety at work.
- b) Respect for people.** It is an absolute requirement for each person's individual and professional development, and the quality of people is essential for value creation. We wish the best from and for people, for the sake of consistency, transparency, accountability and team work. We develop and reward valuable people who experience being part of the Company with a proactive attitude, responsibility and team spirit.
- c) Integrity.** It requires each person to strictly adhere to honesty when carrying out its tasks. It admits no compromises in terms of seriousness, respect and fairness between personal interests and the interests that one is called to care for by virtue of its professional activities, both within the company and in relations with third parties, whatever local practices may be. We are committed to disseminating a culture of respect for the environment, territory and health.
- d) Loyalty.** It demands righteousness and honesty in the relationships with superiors, colleagues, subordinates and external collaborators. It implies complying with Company provisions and internal rules, along with transparency towards all and on all occasions.
- e) Participation.** It is based on each person's sense of responsibility in all professional fields, ruling out any individualism while fostering team work as well as mutual contributions. We reject managerial or operating procedures prioritising personal satisfaction over corporate interests.

### **PRINCIPLES OF ACTION**

Formenti & Giovenzana SpA has also aimed at defining the principles of action that govern the activities of all its directors, officers and employees in the exercise of their functions. We want to be leaders in the competitive scenario.

Quality is our belief. Our established reliability is precisely based on this.

We work with economic sensitivity, respecting the law, the environment and health and safety at work. We plan our activities and monitor the results according to the principles of transparency in corporate administrative accounting responsibilities.

### **a) Compliance with the law**

In every field, the Company applies the laws and regulations in force in the country or countries in which it carries out business on its own and through its subsidiaries.

Every employee, regardless of its qualification, is aware of and trained and informed about the legal implications of its activities.

In particular, Formenti & Giovenzana SpA forbids deliberately taking advantage of any gaps or deficiencies in laws and regulations that may lead to non-compliance with the Company rules.

The company has prepared the necessary tools to inform and train each employee on the rules of law as well as all dictates arising from business systems.

### **b) Compliance with health and safety at work**

The Company defines a policy to ensure the best possible health protection, safety in the work environment and prevention of all forms of potential risk in a perspective of continuous improvement.

The Company equally applies this policy to its employees and those of external companies, as part of the latter's action on the Company sites.

To develop and monitor compliance with Health and Safety management, the Company employs an implemented system, based on a shared and updated Risk Assessment Document, which is regularly reviewed and refers to international standards such as BS OHSAS 18001.

All employees, collaborators and third parties are required to strictly follow all the steps required by the procedures and internal rules of Formenti & Giovenzana SpA with regard to Health and Safety at Work, developed and updated in accordance with current legislation; in particular, each employee is required to report to its immediate supervisor any comments related to malfunctions or improvements.

To fully comply with health and safety at work, Formenti & Giovenzana bans the use of alcohol and drugs during the working hours. Any breach, if ascertained, will be sanctioned in accordance with the existing labour contracts.

Formenti & Giovenzana SpA is committed to:

- Ensuring continued compliance with applicable safety legislation and regulations, as well as other underwritten commitments in terms of business or product development
- Empowering each employee to take actions and behave in the interest of safety, as well as focusing on it through training, information, involvement, and communication

- Evaluating, during the design stage, the aspects of safety and the environmental impact of new processes and products, so as to ensure development to be in line with both these needs and technical/economic feasibility
- Recognising that the Prevention of Risks for the Health and Safety of operators is one of the priorities in the Company continuous performance improvement plan.
- Guaranteeing a first aid service to its employees, those of external companies and visitors.
- Ensuring PPE free-of-charge availability to employees and visitors with a view to counteracting the dangers to which they are subjected in their respective work/transit areas.
- Delivering adequate training and information on health and safety

The aim of this extensive commitment - which can only be achieved by consciously and firmly involving all human resources - is reducing risks to health and consolidating safety in production activities as effectively as possible.

The Company equally applies this policy to its employees and those of external companies, as part of the latter's action on the Company sites.

### **c) Respect for the environment**

The Company actively promotes environmental protection.

Formenti & Giovenzana SpA has always been committed to improving the environmental and landscape impact of its activities, as well as preventing risks to populations and the environment not only in accordance with local regulations, but also taking into account the latest developments of scientific research and the best experiences in the field.

Along these lines, Formenti & Giovenzana SpA has:

- Obtained certification for the Environmental Management System as per ISO 14001
- Defined an Environmental Policy which has been published on the company website and communicated to all employees

### **d) Respect to the community**

Formenti & Giovenzana SpA, aware of the even indirect impact that carrying out business may have on the environment in which it operates, as well as on the community economic and social development and general welfare, is committed to investing and carrying out developments in an environmentally friendly way, fully respecting local communities.

### **e) Relationships with suppliers**

The conclusion of a contract with a supplier must always be based on extremely clear relations, within the framework of cooperation and collaboration reference standards.

The choice of suppliers and the purchase of goods and services are made after objectively assessing a supplier's competitiveness, quality, required technical/professional prerequisites, inexpensiveness, price level, integrity.

#### **f) Safeguard of corporate assets**

Every employee is required to work diligently to safeguard the Company assets, adopting responsible behaviours in line with the operating procedures established to regulate their use, and documenting their application. In particular, each employee must:

- Use with care the assets entrusted to them
- Avoid any improper and/or personal use of company assets that could cause damage or reduce efficiency or, otherwise, be contrary to the company interests.

#### **g) Anti-corruption policy**

Formenti & Giovenzana does not tolerate any form of corruption.  
Formenti & Giovenzana does not allow its employees, at any level, to solicit or receive any kind of gift, benefit or personal favours linked to working relationships on behalf of Formenti and Giovenzana SpA.

#### **h) Prevention of child and forced labour**

Formenti & Giovenzana does not use child labour in accordance with the provisions of the United Nations Convention on the Rights of the Child and all applicable national and international laws.

Formenti & Giovenzana keeps a staff register recording each worker's date of birth.  
Formenti & Giovenzana does not use forced, indentured, bonded or involuntary labour.  
Formenti & Giovenzana gives its employees the opportunity to freely leave the work areas at the end of their shift. No identity documents and security deposits are required from employees.

#### **i) Policy against discrimination**

Formenti & Giovenzana does not allow any form of employment discrimination based on ethnic origin, religion, gender, marital status, pregnancy, age, political thought, nationality and sexual orientation, ensuring fair treatment for all.

Personnel decisions are solely based on each employee's individual work skills.

#### **k) Policy against harassment and abuse**

Formenti & Giovenzana does not admit any form of corporal punishment, violence threats and other forms of mental or physical coercion or sexual abuse.  
Formenti & Giovenzana does not use public admonitions whether in written, electronic, verbal or any other form.

## **BREACHES OF THE CODE OF CONDUCT AND PENALTIES**

### **Controls**

The Code of Conduct is one of the cornerstones of the control system and an integral part of the Organisational Model implemented by Formenti & Giovenzana SpA in accordance with Legislative Decree 231/2001.

The internal control system must be geared towards adopting tools and methods designed to counteract potential business risks, in order to determine reasonable assurance of compliance not only with legislation but with provisions and internal procedures as well.

Management must constantly monitor conduct compliance as specified in the Code and, if necessary, carry out specific verification programmes.

### **Compliance with the Code of Conduct and breach reports to the Supervisory and Control Board**

Compliance with the provisions of the Code of Conduct is an essential part of the employees' contractual obligations pursuant to Art. 2104 of the Civil Code. It must also be considered an essential part of the contractual obligations by freelance workers, and/or individuals having business relations with Formenti & Giovenzana SpA.

The Company Executives and Managers are responsible for ensuring that the Company expectations towards employees are understood and put into practice.

Executives and Managers, therefore, must ensure that the commitments expressed in the Code of Conduct are implemented.

In order to ensure the effective application of the Code of Conduct, Formenti & Giovenzana SpA - respecting privacy and individual rights - have made information channels available through which all those who become aware of possible cases of non-compliance with the Code within the Company may freely, directly and confidentially report them to their direct manager or, in urgent cases, straight to the Supervisory Board.

Reports, however, shall be made in writing and not anonymously.

With reference to the report of an actual or attempted breach of the rules contained in the Code of Conduct, Formenti & Giovenzana SpA shall ensure that no one in the work place may suffer retaliation, illegal conditioning, hardship and discrimination of any kind, for reporting a breach of the Code content, or of the internal procedures to the Supervisory Board.

In any case, following the report, the Company shall promptly arrange the necessary checks and, if appropriate, adequate sanctions.

## ***The penalty system***

Abreach - if established - of the Code principles and procedures provided for by internal protocols undermines the trust relationship between Formenti & Giovenzana SpA and its directors, employees in general, consultants, collaborators of any kind, customers, suppliers.

Violators will be effectively, promptly and immediately prosecuted by taking - against those responsible for the breaches themselves, where deemed necessary for safeguarding corporate interests and compatibly with the provisions of the existing regulatory framework –appropriate and proportionate disciplinary measures and/or sanctions, regardless of the possible criminal relevance of such behaviours, and initiating criminal proceedings in the cases where they constitute criminal offences.

After consulting the Supervisory and Control Board, ascertained Code breaches will give rise to specific measures to be applied by FORMENTI & GIOVENZANA SpA. Consistently and in compliance with legal and contractual provisions, ascertained breaches may also determine the expulsion from the Company of those responsible for said breaches.

Any form of retaliation against anyone who has reported possible breaches of the Code of Conduct, or put forward any requests for clarification on the application methods thereof, constitutes a breach.

The implications of violating the Code of Conduct and internal protocols must be taken seriously into account by all those who, for whatever reason, maintain relations with Formenti & Giovenzana SpA. To this end, the latter undertakes to spread the Code of Conduct and the internal protocols and/or procedures, in addition to informing about the sanctions provided for in case of breach, and the methods and procedures for imposing sanctions.

In order to protect its image and safeguard its resources, the Company will maintain no relations of any kind with individuals who do not intend to operate in strict compliance with local regulations, and/or refuse to comply with the values and principles laid down in the Code of Conduct, and the procedures and regulations contained in the annexed protocols.

## **IMPLEMENTATION OF THE CODE OF CONDUCT**

This Code of Conduct is circulated in the following ways:

- Delivery to the Unitary Union Representative Body and Workers Safety Representatives for proper dissemination to all workers
- Posting on the Company notice boards
- Delivery to all staff
- Delivery to suppliers
- Adequate, specific training modules.

## **REVISION HISTORY**

Rev. 1 of 18/02/14: Integration of points b), c) –Addition of points g), h), i), k)