



SUSTAINABILITY POLICY

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OBJECTIVES AND COMMITMENTS

CMC ITALIA Srl, established in 1996, is one of the last family-owned companies in the oil and pneumatics industry. Born from the founder’s passion and experience in the chrome rod and hydraulic hose industry, it has grown into a second-generation company, carrying on the commitment to quality that has made it a benchmark for market players.

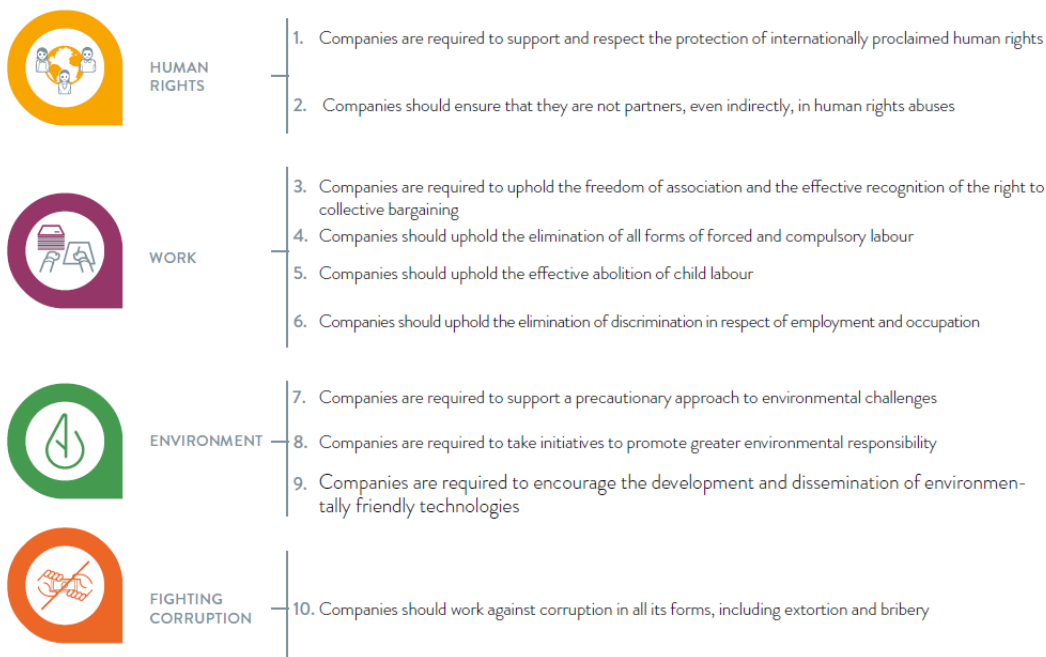
Its strength lies in decades of experience and deep product knowledge, enabling it to continually explore and conquer new markets.

It operates successfully both domestically and internationally, with more than 30 percent of its turnover generated in Europe and MENA countries. **CMC ITALIA Srl** is committed to sustainability; it powers its operations with renewable energy and is constantly and increasingly focused on protecting the environment, the well-being and safeguarding of its employees while aiming to advance the entire industry.

CMC ITALIA Srl Therefore, it places “Sustainability” in Environmental, Social and Governance terms at the center of its business model, committing itself, in carrying out its activities, to:

- Operate in full compliance with applicable laws and regulations;
- Conduct activities in compliance with the principles of ethics and honesty defined by its Code of Ethics and prevent any form of corruption;
- Carrying out activities according to environmental and social responsibility criteria that do not conflict with or damage the surrounding environment in which it operates or determine hazardous conditions for the health of its employees and that of its customers, ensuring respect for universally recognized human and workers’ rights;
- To have the entire corporate structure participate, according to its attributions and competencies, in the achievement of corporate objectives, including in the area of sustainability.

With this in mind, **CMC ITALIA Srl** is inspired by the United Nations Global Compact (UNGC) initiative, recognizing the importance of the ten principles endorsed by the United Nations and the UN Sustainable Development Goals (“Agenda 2030”).



The UN Sustainable Development Goals identified by **CMC ITALIA Srl**, are as follows:

DECREASE THE NEGATIVE IMPACT



12.2 Achieving sustainable management and efficient use of resources

Through the conscious use of resources and the development of innovative solutions **CMC ITALIA Srl** can help decrease the environmental impact of the services offered



8.8 Protect workers' rights and promote safe work environments

Through the adoption of an effective occupational health and safety management system **CMC ITALIA Srl** can minimize the risk of injury to its employees

INCREASE POSITIVE IMPACT



12.4 Environmentally sound management of chemicals and wastes

CMC ITALIA Srl promotes the use of substances, systems and processes aimed at their environmentally sound management



8.6 Promoting youth employment, education and training

CMC ITALIA Srl supports the full employment of young people by ensuring high standards of training

CMC ITALIA Srl, also strives to encourage its employees, contractors and suppliers in adopting sustainable practices.

SCOPE OF APPLICATION

This Policy applies to **CMC ITALIA Srl** and all activities carried out by it.

ENVIRONMENT

CMC ITALIA Srl recognizes that its activities may have an impact on the environment, albeit in a small way, and for this reason it is committed to conducting its business with respect and consideration for the ecosystem that surrounds it with the aim of minimizing its environmental impact.

In order to ensure the efficient use of resources and the reduction of its environmental impact, **CMC ITALIA Srl** has adopted an Environmental Management System that complies with the requirements of UNI EN ISO 14001 (Environmental Management Systems) standards.

CMC ITALIA Srl, from an environmental perspective, is committed to:

- Carry out its activities according to environmental criteria in order not to harm the environment in which it operates by taking necessary measures to reduce its environmental impact, prevent pollution and reduce the effects of climate change;

- Continuously monitor and progressively reduce greenhouse gas emissions, energy consumption, water consumption and hazardous waste generation related to the performance of its activities;
- Make every effort to eliminate or reduce its environmental impact in terms of air, soil and water pollution by promoting sustainable development and in particular the responsible use of resources, energy conservation and the use of alternative energy sources and environmentally sustainable products;
- Pursue the continuous improvement of environmental performance through, first and foremost, the use of energy from renewable sources, the reduction of greenhouse gas emissions of all kinds applicable to society, the reduction and rationalization of water consumption, the reduction of waste production, and the spread of the circular economy;
- Promote the enhancement and conservation of biodiversity as well as the responsible use of natural resources, applying the principle of not harming ecosystems in carrying out its activities;
- Promote c/o its customers products with reduced environmental impact with a view to sustainable consumption;
- Consider from the definition phase of new activities, or in the revision of existing ones, environmental aspects as essential content also in the area of health and safety of customers/end users;
- Ensure that all workers are trained, informed and sensitized to perform their duties and assume their responsibilities in environmental matters;
- Have the entire company structure participate, according to its attributions and competencies, in achieving the defined environmental objectives;
- Give preference, where possible, to the purchase of goods and services with reduced environmental impact (non-harmful, recyclable, sustainably produced), sourced from local markets;

PEOPLE

CMC ITALIA Srl recognizes in its people an asset to protect and as such is committed to protecting the health and safety and ensuring the well-being and dignity of its employees.

CMC ITALIA Srl considers safety in the workplace as an essential element in ensuring high standards of productivity and quality for its customers and for this reason it has adopted a Management System that complies with the international standard UNI EN ISO 45001 (occupational health and safety).

CMC ITALIA Srl in order to ensure compliance with the principles of health and safety, equal opportunities, protection of diversity, inclusion and respect, more generally, for human and workers' rights in the performance of its activities undertakes to:

- Carry out activities by complying with criteria to avoid hazardous conditions for the health of its employees and customers;
- Identify possible health and safety risks when defining new activities and effectively monitor risks during the review of existing activities;
- Ensure that all workers are adequately trained on health and safety issues;
- Pursue continuous improvement in workplace health and safety performance;
- Avoid any type of relationship with organizations that have been involved in disputes related to human rights, slavery, forced and child labor;

- Ensure a work environment free from any form of intimidation, bullying or harassment;
- Ensure a human resource management process geared toward gender equality; in particular, direct career and professional development opportunities to all staff regardless of gender;
- Use inclusive communication methods, images, phrases, and examples, avoiding stereotypical language, cult presumptions, and gender references in content;
- Adopt measures regarding respect for workplaces and people, ensuring equal opportunities within its structure and preventing attitudes aimed at discrimination of any kind;
- Ensure equal treatment in recruitment and equal pay by condemning any form of discrimination related to gender, sexual orientation, political opinion, ethnicity, religious belief, nation or economic conditions;
- Engage in the support of the values of diversity, inclusion of work life balance through the adoption of corporate, organizational and management mechanisms marked by respect for the rights, freedom and dignity of individuals as well as the pursuit of continuous organization, as far as possible, of flexible work;
- Adopting an approach based on impartiality and not allowing any form of direct or indirect, multiple and interconnected discrimination in relation to gender, age, sexual orientation and identity, disability, health status, ethnic origin, nationality, political opinion, social category of membership and religious faith;
- Ensure respect for the rights of assembly and association and membership in forms of worker representation.

GOVERNANCE

CMC ITALIA Srl identified the Board of Directors as the body responsible for strategic direction and supervision of activities and results related to sustainability issues. Specifically, it is the responsibility of the Board of Directors:

- Establish guidelines and commitments with reference to relevant sustainability issues in line with **CMC ITALIA Srl's** strategic objectives,
- Supervise the dissemination of the guidelines and principles defined by this Policy and their application by company personnel,
- Periodically assess the adequacy of the guidelines and commitments made with respect to changes in the Company's internal and external environment.

CMC ITALIA Srl has adopted the international standards UNI EN ISO 9001 (Quality Management Systems).

It has also formally defined the set of values recognized, accepted and shared by all those working within and/or on behalf of the company in an official document, the Code of Ethics, approved by the Board of Directors, whose main contents are:

⇒ GENERAL ETHICAL PRINCIPLES IN BUSINESS MANAGEMENT

- *Accountability and compliance with the law*
- *Fairness*
- *Transparency*
- *Equal opportunity and discrimination*
- *Diversity and inclusion*
- *Work environment*

- *Efficiency*
- *Management and accounting information*
- *Confidentiality and privacy protection*
- *Occupational health and safety protection*
- *Quality*

⇒ PRINCIPLES OF CONDUCT IN RELATIONS WITH STAKEHOLDERS

- Employees
 - Personnel selection and recruitment
 - Personnel management and development
 - Gifts and gratuities
 - Conflict of interest
- Suppliers
- Principals and customers
- Competitors
- Representatives of the public administration and public institutions
- Judicial authorities and supervisory bodies

⇒ IMPLEMENTATION AND MONITORING

- Reporting
- Violations and penalties

The Code of Ethics, in addition to defining the aforementioned general principles, also identifies the principles of conduct to which all recipients must adhere in relations with stakeholders as well as the methods of implementation and control.

CMC ITALIA Srl in order to ensure compliance with the law and current regulations in the performance of its activities undertakes to:

- Imprint on fairness, equity, integrity, loyalty and professional rigor its activities, behaviors and way of working both in its internal relations and with external parties, placing full compliance with the law at the center of attention;
- Periodically measure the main features of its processes that may have an impact on its performance both economically, socially and environmentally, on the quality of services, in order to the objective identification of continuous improvement;
- To accord priority to Suppliers that have incorporated sustainability practices within its organization.

DIFFUSION

CMC ITALIA Srl is committed to promoting awareness of the Policy and Code of Ethics among all its employees and collaborators and to ensuring its dissemination to all stakeholders who request it through appropriate communication channels, primarily the company website.