



La **GRANDE FAMIGLIA** degli **OLI**



Spoletto, 10/22/2024

CORICELLI'S CODE OF CONDUCT REGARDING RESPONSIBLE PROCUREMENT

We are an integral part of the company as a historic family business. We feel that we have a responsibility in relation to the world around us for both the current generation and future ones. We therefore believe it is important that our products are made with respect for people, animals and the planet.

Together with our suppliers and other partners, we aim at ensuring that our products are more sustainable. We want to have a positive impact within the different production chains regarding the environment and human rights. Coricelli believes responsible and transparent supply chains are very important. We recognise that we can only achieve this by working together with our suppliers based on agreed basic principles. We describe what Coricelli believes is important and what we expect from suppliers to safeguard these values in this document. Cooperating with Coricelli means that suppliers recognise themselves in these principles, comply with the principles described in this document and ensure that they are also complied with within their own supply chains. Coricelli will help and support suppliers where needed to achieve this.

1. International references

This Code of Conduct is based on our human rights policy and the internationally recognised guidelines on which our policy is based. The references, for example, include the Universal Declaration of Human Rights of the United Nations (UN), the Declaration on Fundamental Rights at Work of the International Labour Organisation (ILO), the Guiding Principles for Business and Human Rights of the UN, the Global Compact Principles of the UN. In addition, we also refer to the criteria as defined by the Sustainable Supply Chain Initiative (SSCI) of the Consumer Goods Forum for recognising sustainability standards.

2. Approval procedure

It is at least expected from suppliers that they comply with this Code of Conduct and the principles for responsible procurement of Coricelli. This also applies to their own production chain. In addition, we have drawn up a list per product group or raw material with specific procurement rules and accepted standards (certification and/or audit system) that can be found in our quality.

3. Coricelli's responsible procurement principles

Endorsing the Code of Conduct means complying with Coricelli's responsible procurement principles that are safeguarded in the standards Coricelli sets for production chains. The following themes are at least safeguarded (see the annex for an explanation per theme):

- Management system
- Supply chain and subcontractors
- Transparency and communication
- Compliance with international standards and national legislation
- Ethical business operations and anti-bribery
- Forced, slave and prison labour
- Child labour and young workers
- Freedom of association with others and recognition of the right to collective bargaining
- Discrimination, intimidation and abuse
- Health and safety
- Building and fire safety
- Wages, payments and terms and conditions of employment

Pietro Coricelli SPA – Società unipersonale

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- Working hours
- Complaints mechanism
- Community and land rights
- Protection of the environment

Coricelli's responsible procurement principles are further explained in the annex of this Code of Conduct.

4. Compliance with this Code: assessment and audits

(Potential) Coricelli suppliers endorse the principles regarding responsible procurement as part of their contract. Coricelli needs proof that the suppliers and the suppliers' production chain comply with these principles in the form of audit reports, certificates and other data or proof.

If there is no audit proof available in accordance with the list of accepted standards of third parties for specific production locations or the audits do not concern all possible issues that Coricelli has identified, suppliers must supply data in other ways in accordance with the requirements of Coricelli.

We verify and validate all certificates, audit reports and other proof that our suppliers provide. If non-conformities are involved, a follow-up assessment will take place within a year. If non-conformities are not involved, the audit will apply for two years. If a serious and immediate situation is involved, we expect the supplier to contact us and discuss how the situation can be improved immediately at the product location. In such a case, a risk analysis must be carried out and an improvement plan must be drawn up for the long term. If required, Coricelli will provide support and contribute towards capacity building.

We reserve the right to terminate the contract if the Code's principles are not observed. Submitting fake information and not monitoring non-conformities and improvement plans within the agreed period without a reasonable explanation are a part of this.

5. Our commitments regarding suppliers

Coricelli has implemented a due diligence process for assessing potential risks of our company in relation to human rights and the environment. We aim at preventing and limiting the negative effects of our supply chain or products. We invite our suppliers to help us to achieve this by means of transparency and proof of compliance and by bringing problems and negative effects to our attention.

Compliance with the principles in this Code of Conduct can be difficult and complex. We therefore offer our suppliers support in understanding the requirements and when implementing the required procedures and policy.

If suppliers need to tackle non-conformities within their product chain and deeper causes that are difficult to resolve or improve, they are expected to contact Coricelli to discuss a plan of action in consultation.

ANNEX : CORICELLI'S PRINCIPLES REGARDING RESPONSIBLE PROCUREMENT

GENERAL

1. Management system

- Suppliers must use a management system that ensures adherence to the Coricelli Code of Conduct regarding responsible procurement including a policy and the communication regarding this to their employees and suppliers, and the correct implementation of this policy based on continuous improvement.

2. Supply chain and subcontractors

- It is the responsibility of our suppliers to ensure that Coricelli's principles regarding responsible procurement are adhered to within their own production chains. They must be alert to potential social, environmental or animal welfare risks within their supply chain and draw up a plan of action to prevent, limit and restore negative effects as part of their management system and risk analysis of their supply chain.

- Outsourcing to other suppliers or production locations is not allowed without prior permission from Coricelli. If a subcontractor is approved, the supplier must ensure that this supplier also complies with the procurement principles.

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3. Transparency and communication

- Suppliers must inform Coricelli about all information regarding their company or that of their suppliers that may be related to Coricelli's principles regarding responsible procurement.
- If suppliers find any serious non-conformities or potentially negative effects regarding these principles in any of the documents regarding their own business operations or that of their supply chain, we expect them to inform us proactively and draw up a plan of action to improve the situation.

4. Compliance with international standards and national legislation

- Our suppliers must comply with all relevant local, national and international legislation and regulations.
- If national legislation and this Code of Conduct should contradict each other, the supplier must follow the standard that offers the highest protection level to employees, communities, other legal entities, the environment and animals.

5. Ethical business operations and anti-bribery

- Our suppliers must maintain honest business standards and must not be involved in any way in any form of corruption or bribery or accept that their business partners are involved in this.

LABOUR AND HUMAN RIGHTS

1. Forced, slave and prison labour

- Our suppliers must not use forced or slave labour or any form of involuntary labour whatsoever and must not support or tolerate this. Suppliers must ensure that all workers work voluntarily and are free. Our suppliers must not restrict in any way the freedom of movement of workers and workers may leave the workplace outside of working hours.
- Our suppliers must not hold workers in debt bondage or forced labour to pay off a debt of the worker.
- Our suppliers must not demand a monetary deposit, financial guarantees or personal assets as a condition for employing workers and must not keep original copies of personal documents or proof of identity (for example, passports, immigration documents or work permits).
- Our suppliers must screen and check employment and recruitment agencies if they are used to ensure that they comply with national legislation and regulations and Coricelli's principles regarding responsible procurement. Our suppliers must bear the costs for recruiting workers and must ensure that nothing shall be charged to workers (directly or indirectly).

2. Child labour and young workers

- Our suppliers shall not expose children younger than 15 (14 or 16 in specific countries) to work that is harmful to their health, that restricts local mandatory schooling as laid down in law or that limits their rights to playtime and leisure time.
- Our suppliers must not deploy workers younger than 18 for night work or expose them to hazardous conditions.
- Our suppliers must set up a system to verify the age and to keep the valid documentation regarding the age of all workers.
- Should the above rules be breached either directly or indirectly, our suppliers must implement an effective restoration plan where the interests of the child must be given the highest priority.

3. Freedom of association with others and effective recognition of the right to collective bargaining

- Our suppliers must respect the right of workers to be a member of a trade union or other workers' unions of their choice, or to set one up, and the right to collective bargaining. If the right to freedom of association with others and collective bargaining is restricted or forbidden by law, our suppliers must offer space for alternative forms of independent worker representation.



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- Our suppliers may not discriminate against or punish workers because they are a member of a trade union or other workers' unions or the representation thereof. Our suppliers must not impede that workers perform their work for the trade union and must not deny them access to members at the workplace.

4. Discrimination, intimidation and abuse

- Our suppliers must treat all workers with respect and dignity.
- Our suppliers must not support or tolerate discrimination in working practices, for example, when recruiting, promoting, offering access to training, remuneration, allocation of work, termination of work, in relation to pensions and/or general treatment on the work floor based on personal attributes such as gender, age, religion, civil status, race, cast, social background, diseases, disabilities, pregnancy, ethnic or national origin, migration status, nationality, sexual orientation or being a member of a trade union or political movement.
- Our suppliers must offer equal opportunities regarding work that shows that men and women are treated equally. They must ensure that men and women receive the same wage and have the same terms and conditions of employment (referred to as conditions of work and employment by the International Labour Organisation (ILO)) for the same work.
- Our suppliers must make provisions for maternity leave.
- Our suppliers must not be involved directly or indirectly in the use of corporal punishment or physical violence, psychological or physical coercion, bullying or intimidation or support or tolerate the aforementioned. The same shall apply to sexual abuse and any form of humiliation.
- Our suppliers must have written disciplinary procedures and explain these to their workers using a clear and understandable language.

5. Health and safety

- Our suppliers must offer safe and clean conditions to all workers both at the workplace and in the residential facilities. Special protection and a safe working environment must be provided for vulnerable people such as young or pregnant workers.
- Our suppliers must have clear procedures regarding health, safety, fire safety and emergencies. A person must be appointed who is responsible for the effective implementation of these procedures. All workers and management including new employees must receive regular and documented training in relation to health and safety.
- Our suppliers must take effective measures to prevent workers from suffering accidents, being injured or being sick that is due to, is associated with or occurs when working. If someone is injured while working, they must ensure that first aid and medical assistance are given.
- Our suppliers must provide suitable and effective personal protection equipment where necessary and free of charge. Workers must be informed about the correct use of it and this must be checked.
- Our suppliers must ensure that every worker at the workplace has basic facilities such as unimpeded access to drinking water and clean toilet facilities, sanitary facilities for preparing and keeping food.

6. Building and fire safety

- Our suppliers must ensure that the buildings and equipment in both the working environment and the accommodation offered to workers are safe, robust and stable.
- Our suppliers must take appropriate safety measures to prevent fires in both the working environment and accommodation. There must be correctly signposted emergency exits, escape routes, fire-extinguishing equipment and fire alarms that meet sector standards.
- Our suppliers must ensure that all workers have the right to withdraw from situations that form a serious hazard directly without requiring permission.

7. Wages, payments and terms and conditions of employment

- Our suppliers must offer workers easy-to-understand information about their terms and conditions of employment (including the payment of wages and working hours) before they join the enterprise, in a language and a manner they understand.

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- Our suppliers must offer all workers easy-to-understand written information in relation to every wage that is paid regarding the wage for the period they are being paid.
- Our suppliers must pay a wage regarding regular working hours where the wage must equal or be higher than the statutory minimum wage or a wage that is in line with a collective agreement or industrial standard if this is higher. Wages must be paid regularly, in full and on time.
- For production work and piece rates, our suppliers must pay a rate ensuring that workers at least are paid a wage that equals or is higher than the statutory minimum wage or a wage that is in line with a collective agreement or industrial standard if this is higher.
- Our suppliers must compensate workers for all overtime using an increased rate.
- Our suppliers must do all that is in their power to ensure that workers receive a fair and decent living wage.

8. Working hours

- Our suppliers must ensure that workers do not work more than legally established hours a week.
- Our suppliers must ensure that overtime takes place on a voluntary basis, that overtime is not requested regularly and that suitable measures are taken to protect the health and safety of workers. No more than 12 hours must be worked as overtime.
- Our suppliers must assign the right to enjoy breaks to their workers during every working day and must ensure that all workers get a day off every six working days on average unless exceptions apply that have been defined in a collective agreement.

9. Complaints procedure

- Our suppliers must have an effective complaints mechanism in place on an operational level or must be a part of this for all individuals or communities that may possibly experience negative effects. The complaints that have arisen must be dealt with confidentially (this must be guaranteed) and disciplinary measures, dismissal or other sanctioning methods must not be involved regarding the worker or another party who has submitted the complaint.
- Our suppliers must have a transparent procedure for following and resolving complaints.

10. Community and land rights

- Our suppliers and their supply chains must comply with the Free and Prior Informed Consent (FPIC) regarding land rights and must comply with local, national and international standards regarding landownership when activities within communities are involved.
- Our suppliers must ensure that their business operations and production chains do not have negative consequences on access to safe drinking water for the community.
- Our suppliers must ensure that their business operations and production chains do not have negative consequences on the living conditions of the community.

PROTECTION OF THE ENVIRONMENT

- Our suppliers must ensure that national and international legislation and regulations concerning the environment are complied with.
- Our suppliers must take the required measures to protect the environment in accordance with the legal regulations and their environmental responsibility.
- Our suppliers must perform an assessment regarding the impact on the environment of their business operations and must set up effective procedures and a policy regarding the use and discharge of chemicals and other hazardous substances and wastewater and regarding the emissions of greenhouse gasses.
- The policy and procedures of our suppliers must reflect the potential impact on the environment of producing, processing, fabricating, distributing or trading and the specific properties of their supply chains. This impact may, for example, be related to the use of water, deforestation, soil quality, pollution, emissions of greenhouse gases, energy consumption, biodiversity and the exhaustion of resources such as fish and minerals.