



# Supplier Code of Conduct



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## **GLOSSARY**

Company (or 'Zordan'): Zordan S.r.l. Benefit Company, abbreviated to Zordan S.r.l. SB. A company incorporated under Italian law with its registered office in Italy, Valdagno (VI), Largo Santa Margherita 1 and/or any affiliated, subsidiary or parent company thereof, as well as any other company belonging to the Zordan group of companies.

Decree: Legislative Decree No. 231/2001 and subsequent amendments and additions.

Organisational Model (or 'Model'): the Organisation and Management Model adopted pursuant to and for the purposes of Article 6 of the Decree.

Code of Ethics: company code of conduct adopted as an integral and substantial part of the Model. It consists of the set of declarations, commitments and rules included in this document.

Supervisory Body (or 'Body'): the body designated pursuant to Article 6 of the Decree, which is entrusted with the task of supervising the operation of and compliance with the Model and ensuring that it is updated.



## Supplier Code of Conduct

### FOREWORD

Zordan S.r.l. SB (hereinafter referred to as 'Zordan') has decided to adopt this Code of Conduct for its Suppliers in order to provide precise Behavioural Guidelines to promote a corporate culture characterised by the values of Integrity and Responsibility, which are part of the company's mission and vision:

- MISSION: *"Shaping beauty sustainably"*.
- VISION: *"Sustainable beauty makes our senses keener, it adds to our serenity, it gives us inspiration"*.

Zordan gives form and content to beauty, making possible the intuitions of planners, architects and designers by realising the ideas and dreams of its customers, with reliability, flexibility and 'all' Italian craftsmanship. The aim is to create bespoke retail and private environments through a motivated team and a network of craftsmen with whom Zordan shares passion, attention to detail and a determination to make a positive impact on the environment and the local community.

In order to comply with the Italian regulations set forth in Legislative Decree No. 231/2001, concerning the Administrative Liability of Entities, Zordan has adopted its own Organisational Model and its own Company Code of Ethics. The Company's Code of Ethics is annexed to this document, of which it is an integral and substantial part, and to which reference is made. It must be complied with and applied, on a contractual basis, by all suppliers (of goods and services) to the Company, under penalty of termination of the contractual relationship.

As explained in the attached Code of Business Ethics, Zordan considers its suppliers to be true Partners with whom it can create a successful collaborative 'chain', so that it selects suppliers who are able to be flexible, qualitative, attentive to service, continuity and ethics, as well as on the basis of the principles set out in the Code of Ethics itself and in this Code of Conduct (CCF).

This document proposes, in a concise manner, a number of principles dealt with in the company's Code of Ethics, as well as in line with the Italian regulations set

out in Legislative Decree No. 231/2001.

This document also sets out a number of principles that are peculiar and additional to those proposed in the company's Code of Ethics, which the company believes it wishes to emphasise in the management of the supply relationship, specifically and, in particular, aspects that are aimed at highlighting, according to the direct "voice" of Zordan:

- 'our commitment',
- 'our expectations'.

### Our Commitment

We believe that the way we work is no less important than the results we achieve: under no circumstances should the achievement of corporate goals take precedence over legal or ethical standards. This is why all our counterparts can always expect us to deliver:

- utmost respect for people, nature and the environment;
- commitment to always act to the best of our knowledge;
- openness towards learning, listening and collaboration;
- moral rectitude and integrity;
- transparency and impartiality.

At Zordan, we are aware that success also depends on the ability to build impartial and honest relationships with all our suppliers, based on an open dialogue resulting in mutual benefits. In our day-to-day business with our suppliers, we are committed to the following points:

- *Passion for excellence*: we base our choices on criteria of merit, reliability and quality;
- *Ethics*: we are committed to meeting the needs of our suppliers while respecting their mutual expectations, we adopt a proactive approach

to address potential critical situations and a reactive approach should critical areas be identified;

- *Sense of Recognition*: we intend to facilitate the involvement of our Suppliers in technological innovation projects and in the constant improvement of products and services, in order to build a shared value model;
- *Labour and human rights*: we treat our suppliers impartially and professionally; Zordan recognises and respects international principles in the areas of human rights and working conditions;
- *Far-sightedness*: our aim is to establish a lasting relationship with our suppliers, avoiding behaviour that could hinder mutual trust and ongoing cooperation;
- *Transparency*: we strive to facilitate the sharing of information with our suppliers to ensure equal opportunities for all, establish clear requirements for the awarding of contracts and support direct communication in order to prevent, avoid and manage any disputes or disagreements.

### Our Expectations

The principles and provisions of this Code are the guidelines to which we adhere and we ask all our Suppliers and their collaborators, subcontractors and other parties working on their behalf to adhere to them when working with us. By accepting this Code, Suppliers agree to behave in a manner consistent with the values and principles outlined in this document.

Suppliers are required to apply the same principles and act in accordance with them in all their business dealings and to continuously improve their sustainability performance by applying appropriate conduct.

We are aware that many Suppliers operate in a variety of legal and cultural environments and that the implementation of some provisions of the FCA may be difficult. Therefore, compliance with the provisions of this Code must be assessed taking into account national and international laws and locally applicable regulations.

In any case, Zordan expects its Suppliers to inform it promptly and commit themselves even when compliance with the provisions of this Code is, for such reasons, only partially complied with.

## **ARTICLE 1. PASSION FOR EXCELLENCE**

### **1.1. Compliance with legal requirements**

Zordan expects Suppliers to comply strictly at all times with all national and international laws and regulations regarding the goods and services they supply to Zordan.

### **1.2. Safety and compliance of products and services**

The goods and services offered by Suppliers must comply, in terms of quality and safety, with national and international laws and standards, meet - or exceed - industry standards of quality and safety and adhere to any quality and safety standards that Zordan may require. We expect Suppliers to adhere scrupulously to all specifications that we may provide and, in case of doubt, to seek assistance promptly. Quality standards are difficult to meet if the origin of raw materials or their processing conditions are uncertain. For this reason, we ask Suppliers to carefully select raw materials, components, semi-finished products and, upon request, to provide information on the supply chain.

### **1.3. Continuous improvement**

We give priority to Suppliers that can demonstrate their compliance with the provisions of this Code and those that are seriously committed to improving their performance.

## **ARTICLE 2. ETHICS**

### **2.1. Conflict of interest**

In order to build solid business relationships, Suppliers shall avoid all behaviour that could preclude trust. According to this principle, Zordan shall be promptly informed of the presence of a conflict of interests or situations presenting a potential conflict of interest.

During the period of employment with Zordan, Suppliers shall never seek to take advantage of their personal relationship with Zordan's employees.

## 2.2. Confidentiality, protection and privacy

All information relating to the business and concerning Zordan and its clients shall be treated as strictly confidential, and Suppliers shall allow access to such information only to workers directly involved in the project. Suppliers shall never disclose to third parties any confidential information about Zordan or its clients, unless explicitly authorised by Zordan or the competent authorities. This may also be stipulated in the non-disclosure agreement that Zordan may require Suppliers to sign prior to the signing of the contract or even subsequently.

## 2.3. Private bribery

Suppliers shall not give, offer or promise payment directly or indirectly, in monetary or any other form in an attempt to obtain or retain work or for any other benefit, thereby gaining an improper advantage over other potential Suppliers. Suppliers shall never seek to influence Zordan's employees by providing inappropriate gifts or forms of entertainment.

## 2.4. Economic responsibility

Suppliers must comply with all applicable national and international laws on accounting, taxation and transparency and must refrain from any form of tax evasion, avoidance, money laundering or other similar illegal behaviour.

# **ARTICLE 3. SENSE OF GRATITUDE**

## 3.1. Corporate citizenship and support for local communities

Zordan expects its suppliers to foster lasting partnerships with the communities they work with, actively addressing the social and environmental challenges they face.

We ask Suppliers to proactively share Zordan's values throughout the supply chain, promoting the principles outlined in this Code with all their Suppliers and subcontractors and monitoring their implementation.

We ask suppliers to support local production communities as much as possible by promoting their inclusive development, to provide adequate economic conditions that contribute to the improvement of living and working conditions, and to increase their productivity, as well as the social and environmental sustainability of production.

### 3.2. Conducting business with respect for local communities

Suppliers shall prevent, assess and appropriately address the impact of their operations related to the health and safety of surrounding communities, respecting their rights and cultural heritage. Suppliers shall make every effort to use goods and services locally whenever possible.

## **ARTICLE 4. LABOUR AND HUMAN RIGHTS**

Zordan is inspired by the values expressed in the Declaration of Human Rights and the Principal Conventions of the International Labour Organisation. Suppliers must always act in such a way as to adhere to these conventions and protect and promote human rights in all their collaborations, considering their counterparts as professionals and first and foremost as human beings.

Zordan is inspired by the Ten Principles of the UN Global Compact, which is derived from the Universal Declaration of Human Rights, the ILO's Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, the United Nations Convention Against Corruption, and emphasises, in particular, the importance of Principles 1 and 2 with reference to Human Rights. Suppliers must be guided by similar principles in their operations.

### 4.1. Legal contracts for workers

Workers must have legal contracts. Suppliers must establish recognised labour relations with their workers according to their national laws and good practices. Furthermore, Suppliers must not do anything that prevents their workers from enjoying their legal and contractual rights.

### 4.2. Health and Safety

Zordan expects its suppliers to act in compliance with current national and international standards and regulations on occupational health and safety.

To minimise the risks of accidents, injuries and occupational diseases, Suppliers shall provide workers with appropriate equipment (including personal protective equipment) free of charge, plan effective controls and establish safe working procedures, and implement programmes and systems aimed at ensuring worker safety. In addition, Suppliers shall provide appropriate safety information, conduct training courses for workers, and develop adequate systems for detecting, analysing and eliminating any hazardous situations.

Workers are required to report cases of occupational accidents to their superiors without fear of negative consequences or retaliation.

The Supplier is obliged to pay regular social security contributions for each worker and if there is no public social security system for workers, the Supplier is required to provide health services or remuneration in the event of an accident at work.

Suppliers and their workers shall be prepared in emergency situations, which includes: emergency alertness and evacuation procedures, emergency drills, adequate first aid materials, adequate fire detection and firefighting equipment and suitable emergency exit facilities. The supplier shall regularly train workers in emergency planning, emergency response skills and medical care.

For prompt response in the event of a fire, workplaces must be equipped with suitable fire detection and extinguishing devices, as follows such as escape routes and evacuation plans; evacuation drills must also be carried out periodically. A first aid kit must be available in case of need.

The construction and maintenance of work facilities must be in accordance with applicable standards, regulations and laws. Suppliers shall, as a minimum, provide potable water, suitable lighting, adequate temperature conditions and cleanliness of the premises.

#### 4.3. Non-Discrimination

Suppliers shall not discriminate in recruitment and employment practices on the basis of gender, race, colour, religion, sexual orientation, age, disability, political opinion, nationality, social or ethnic origin or trade union membership. Suppliers shall treat their employees and workers with fairness, respect and dignity, ensuring equal opportunities for all. Therefore, workers shall not be subjected to sexual, physical or psychological abuse, harassment or threats of any kind in the workplace.

#### 4.4. Prevention of forced labour

Zordan requires Suppliers not to use or take advantage of forms of forced or compulsory labour, involuntary prison labour, slavery or human trafficking. Workers shall not be forced to deposit their documents, money deposits or bail bonds.

Similarly, workers are free to withdraw from their employment contract, in line with national legislation, without fear of retaliation or punishment.

#### 4.5. Child labour

According to the International Labour Organisation, child labour refers to any activity that is harmful to children's growth, impairs their health or prevents them from attending compulsory schooling.

Zordan is against all forms of child labour and firmly believes that ensuring that this practice is abolished permanently is in the best interests of children. We know that the number one cause of child exploitation is poverty, so we require suppliers to commit themselves to effectively in developing and participating in policies and programmes that help reduce poverty in the best interest of every child and for the effective abolition of all illegal forms of child labour.

Suppliers shall not employ workers below the minimum age for admission to employment as stipulated in the Core Conventions of the International Labour Organisation's Declaration and in accordance with the local, social and legal labour context where it prescribes a higher minimum age.

If local laws permit the employment of young workers, Suppliers shall protect young people with the minimum age for employment, up to the age of 18, by ensuring that they are treated in accordance with the law; this includes measures to avoid dangerous situations and night work that could compromise their health, safety or moral integrity.

#### 4.6. Working hours

Suppliers must act in accordance with national and international labour regulations and industry standards regarding working hours.

Furthermore, Suppliers shall grant weekly rest periods, annual and national holidays, as well as maternity leave, sick leave and any other leave to the extent permitted by law and industry standards. Under no circumstances shall the maximum weekly working time be exceeded, according to applicable laws and regulations, and overtime work shall be voluntary and not regularly required.

#### 4.7. Remuneration and benefits

Suppliers shall comply with applicable laws and collective labour agreements concerning wages and benefits. Therefore, workers shall, in addition to their normal wages, be paid for overtime in accordance with the applicable laws and collective labour agreements and receive benefits in accordance with the law. In addition to the above, Suppliers shall ensure that their workers receive decent, regular and adequate wages.

#### 4.8. Privacy

Suppliers must act in accordance with applicable laws on privacy and the processing of personal data, and always protect the privacy of their workers and the rights to their personal data.

#### 4.9. Freedom of association

Suppliers must recognise the right of workers to take part in workers' organisations and collective bargaining if workers choose to join them.

Similarly, Suppliers will understand the importance of direct engagement between workers and management and should foster open communication about working conditions without workers fearing harassment, intimidation or reprisals.

Suppliers shall recognise freedom of expression for all workers.

### **ARTICLE 5. LENGTH**

#### 5.1. Compliance with environmental standards

Zordan is committed to respecting the environment throughout the entire production chain and expects the same from its suppliers. In fact, they must comply with current environmental regulations and requirements, which include, among others: obtaining and maintaining environmental permits and approvals for the performance of regulated activities; handling and disposal of hazardous materials; emissions of contaminants that impact the air, water and soil; protection of natural resources and wildlife; prohibition or restriction in the use of specific substances; recycling of materials and respect for environmental rights.

## 5.2. Environmental impact and hazardous substances

Negative impacts on climate and the environment (in particular, greenhouse gas emissions, which are one of the main causes of climate change) will have to be eliminated at source or at least minimised through the modification of the production, processing and maintenance processes, through material substitution, conservation, recycling and reuse of materials.

Zordan encourages suppliers to collaborate in calculating the environmental impact of the entire production chain in order to minimise its negative effects, and to work together with Zordan and local communities to further reduce the level of environmental impact of products.

The use of hazardous substances by Suppliers shall comply with the requirements imposed by law, in particular, they shall prohibit the use of substances that are banned nationally and internationally as being harmful to people or the environment, and in addition implement appropriate measures for the handling, storage and transport of hazardous substances.

## 5.3. Promoting eco-friendly innovation

Zordan expects its Suppliers to create production processes that aim to reduce the waste of natural resources (with particular attention to the conservation of water and energy resources) and to promote their recycling and reuse. Therefore, Zordan strongly recommends a proactive approach towards innovative solutions and technologies that are aimed at continuously offering improved products and services with less environmental impact.

## 5.4. Resource conservation and climate protection

All activities that are potentially harmful to human health or the environment will be properly managed, measured and controlled prior to the release of any substance into the environment.

Suppliers shall be equipped to prevent and reduce accidental spills and leaks into the environment. Furthermore, they shall be committed to the development and use of climate-friendly products and processes that reduce energy consumption.

## 5.5. Bio-diversity

Zordan aims to make a positive contribution to sustaining ecosystems and sustainable and resilient communities through the protection of biodiversity, especially with regard to land protection, reforestation and land use management.

Wherever possible, Suppliers shall contribute positively to biodiversity in relation to the products and services they offer.

## **ARTICLE 6. TRANSPARENCY**

### 6.1. Monitoring and Reporting

Our Suppliers shall constantly monitor and document their adherence to this Code of Conduct and keep the necessary documentation proving compliance with the provisions and standards contained herein as well as with applicable regulations.

Suppliers shall immediately inform Zordan of any non-compliance and the corrective measures planned in this regard. Zordan encourages, however, Suppliers and business partners to communicate any measures taken to improve their business practices in order to achieve (or increase) compliance with the provisions of this Code.

Suppliers shall never conceal any critical issues or invoke ignorance to justify areas of non-compliance. Suppliers shall always deliver to Zordan, upon request, documentation **proving** compliance with this Code of Conduct.

### 6.2. Control System

Zordan reserves the right to ascertain, with or without prior notice, Suppliers' compliance with the Code through Zordan personnel or organisations contracted by Zordan. These checks may include inspection of the Supplier's facilities and/or interviews with its workers.

Zordan requires the cooperation of its Suppliers during these *auditing* activities and expects Suppliers to promptly address any shortcomings with respect to this Supplier Code of Conduct through targeted measures and corrective actions.

### 6.3. Measures

Should any non-compliance declared by the Suppliers or ascertained by Zordan emerge, including through the control activities indicated in Section 6.2 of this Code, Zordan may require the Supplier to plan and implement the necessary corrective actions.

Zordan reserves the right to terminate any relationship and/or terminate any contractual agreement with a Supplier who refuses to implement corrective measures within a reasonable period of time, without prejudice of any kind to the exercise of rights and remedies provided by law and relating to such termination.

Notwithstanding the foregoing, in the event of a serious breach or non-performance by the Supplier of the provisions listed below, which are considered to be the "essence" of this CCF, Zordan shall automatically terminate any contractual agreement with the defaulting Supplier, without prejudice to any rights arising under the law consequent to and relating to such termination:

- 4.2 - Health and safety
- 4.3 - Non-discrimination
- 4.4 - Prevention of Forced Labour
- 4.5 - Child labour
- 4.9 - Freedom of association
- 5.2 - Environmental Impact and Hazardous Substances
- 5.4 - Contacts

Automatic termination will also operate on the basis of the provisions of the Zordan Organisational Model in relation to the commission or attempted commission of offences (violation of the Model and/or Code of Ethics).

In the event of knowledge of a violation or suspected violation of this Code by the Supplier or its partners or sub-contractors, anyone may contact Zordan by writing to the address of the registered office or by e-mail: [organismo.vigilanza@zordan1965.com](mailto:organismo.vigilanza@zordan1965.com).

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[Annex: Code of Ethics](#)