
Supplier Code of Conduct

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A BRAND OF



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GROUP

1. Introduction

The Supplier Code of Conduct ("Code") outlines the Company's expectations of suppliers. The Code applies to GranitiFiandre s.p.a. and its subsidiaries, as well as to all the companies in the Iris Ceramica Group.

GranitiFiandre and Iris Ceramica Group are committed to pursuing:

- standards of excellence in every aspect of the business and in every corner of the world;
- ethical and responsible conduct in all activities and operations;
- a responsible working environment;
- respect for the environment;

GranitiFiandre and Iris Ceramica Group require that these commitments be shared by all suppliers, agents, consultants and other third parties with whom they have commercial relations ("Suppliers").

All suppliers are expected to meet the standards set out in the Code. These standards are a condition for GranitiFiandre and Iris Ceramica Group to do business.

This Code is an important addition to the Code of Ethics pursuant to Legislative Decree no. 231/2001, as well as a preventive protocol in the context of Model 231/01.

This Code is also a tool intended to operate in synergy with the Group's Code of Ethics and with the Anti-Corruption Code of GranitiFiandre s.p.a., which also apply to suppliers.

2. Subjects

The Code applies globally to all suppliers of GranitiFiandre s.p.a. and Iris Ceramica Group, who are required to apply it if they intend to have commercial relations with the company and the Group.

Suppliers also include consultants, agents, designers, architectural firms, as well as any counterparts who receive remuneration from GranitiFiandre s.p.a. and Iris Ceramica Group by virtue of any commercial relationship in a broad sense.

Suppliers are obliged to notify any use of subcontractors and such subcontractors must comply with this Code.

The employees of GranitiFiandre s.p.a. and Iris Ceramica Group must expect suppliers to act in line with the provisions and principles listed below.

3. Integrity and Ethics

3.1. Ethics in the conduct of business

GranitiFiandre and Iris Ceramica Group recognize the importance of integrity and ethical-social responsibility in the conduct of their activities and are committed to respecting the needs and expectations of all stakeholders whose interests are influenced by the direct and indirect effects of the Group's activity.

In this respect, all suppliers must adopt a commercial conduct based on honesty, transparency, and collaboration.

3.2. Respect for legality in business management

Compliance with laws is essential for GranitiFiandre and Iris Ceramica Group to operate globally, while maintaining their reputation.

Achieving positive results relies on the ability to comply with the law in order to conduct business with integrity.

Suppliers are required to comply with all applicable (local) laws and regulations in the conduct of their business activities.

3.3. Avoiding conflict of interest situations

In commercial relations with suppliers, GranitiFiandre s.p.a. and Iris Ceramica Group expect decisions to be made based on objective criteria alone.

Any factors that might influence supplier decisions due to private, corporate or other conflicts of interest should be avoided from the outset.

If there is a potential conflict of interest, the supplier must disclose it to GranitiFiandre s.p.a. and Iris Ceramica Group so that the situation is managed transparently and correctly, according to the principles of the company and the Group.

3.4. Refraining from corrupt practices

All suppliers must comply with the Anti-corruption Code of GranitiFiandre s.p.a. and the related Policy, adopting a zero tolerance approach to corrupt practices.

Suppliers must refrain from giving, offering or authorizing bribes or conducting any form of commercial practice contrary to ethical principles, avoiding any "facilitation payment" and "extortion payment".

Suppliers must refrain from offering or accepting gifts and entertainment that (a) are not reasonable and proportionate or (b) are offered with the intention of inducing a person to improperly perform their function to secure a commercial advantage.

4. A responsible work environment;

4.1. Prohibition of Child Labor

Suppliers must not exploit child labor.

The term “child” refers to a person under the age of 16 or younger than the age set by law, if higher.

Suppliers who, where permitted by law, employ children, must comply with all laws and regulations applicable to such individuals.

In any case the recruitment of workers under the age of 18 must not interfere with their compulsory education and must not, by the nature of the work or the circumstances in which it is carried out, be liable to harm their health, safety or ethical principles.

The Supplier will take the necessary action and measures to identify, prevent and address the problems of child labor that it may create, to which it may contribute or with which it may be associated as part of its commercial relations.

4.2. Prohibition of forced and compulsory labor

Suppliers shall not directly or indirectly require an employee to work forcibly, nor shall they force or threaten any person in order to obtain the provision of a service or work.

Work must be performed on the basis of freely agreed conditions.

In accordance with the Code of Ethics of GranitiFiandre s.p.a. and the Group Code of Ethics, Suppliers must refrain from having commercial relations with subjects involved in proceedings relating to illegal immigration, illegal hiring or enslavement.

Suppliers must not withhold, destroy, conceal, confiscate or deny workers access to their identification or immigration documents.

Suppliers must not require non-professional migrant workers to incur costs or taxes related to their hiring, travel or emigration procedure.

4.3. Wages, working hours and other conditions

It must be recognized that wages are essential to meet the needs of employees.

Suppliers must as a minimum comply with all applicable wage and working time laws and regulations, including minimum wage, overtime, maximum hours, piecework rules, and must as a minimum provide statutory benefits.

All overtime must be voluntary. Under no circumstances must working weeks exceed the maximum allowed by applicable laws and regulations.

Where local industry standards exceed applicable legal requirements, we expect the Supplier to meet the highest standards.

4.4. Equal treatment, prohibition of discrimination and harassment

Suppliers must apply the principle of equal treatment and non-discrimination in hiring and employment practices, including salary, benefits, advancements, discipline, termination or retirement.

No employee may be demoted, fired or otherwise subjected to discrimination on the basis of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, political opinion or disability or for exercising their legal rights.

Suppliers must comply with all applicable laws, rules and regulations that promote fair employment practices or prohibit employment discrimination and unfair employment practices.

Suppliers must value diversity and inclusion and condemn any form of discrimination and harassment, any inappropriate or disrespectful behavior, such as physical and verbal abuse and sexual harassment in the workplace or at work events.

4.5. Freedom of association and collective bargaining

Suppliers must respect the right of workers to associate, organize and join any associations.

Furthermore, Suppliers must promote an environment in which company standards are clearly understood and communication with the management is possible (through the appropriate channels, particularly to guarantee the confidentiality of whistleblowers), without the threat of retaliation, intimidation or harassment.

Suppliers also recognize the right of their employees to form and join a trade union of their choice and the right to collective bargaining without fear of retaliation.

4.6. Hygiene, health and safety at work

Suppliers must provide employees with a safe and healthy workplace in compliance with all applicable laws and regulations.

Suppliers must identify and assess risks, in order to manage and prevent them, providing suitable tools for prevention and protection from any malicious or negligent behavior which could cause direct or indirect harm to people and/or resources, regularly updating working methods to ensure prevention and protection and using the best technologies available.

Suppliers must ensure the training and awareness of workers in adopting safe and respectful health and safety behaviors.

Suppliers must pursue continuous improvement.

5. Environmental protection

5.1. Environmental protection

Suppliers undertake to protect the environment in line with the objectives of the UN 2030 Agenda for Sustainable Development.

It is necessary to act in a sustainable way, minimizing environmental impacts and the use of energy and natural resources.

Suppliers also undertake to conduct their business using resources responsibly, preserving the environment for future generations.

Suppliers must adopt an environmental risk assessment process, according to the principles of precaution, prevention, protection and continuous improvement.

Suppliers must comply with all applicable environmental laws and regulations and the applicable environmental initiatives of GranitiFiandre s.p.a. and the Group.

5.2. Energy transition

Suppliers undertake to contribute to achieving the objectives for plant efficiency and emission reduction, promoting a low carbon impact energy mix and a constant commitment to research and development.

5.3. Air, water, soil, subsoil and biodiversity

Suppliers will endeavor to take all necessary measures to:

- minimize emissions and the impact on air quality;
- minimize the impact on water resources, reducing their consumption, ensuring that the quality of groundwater is maintained or improved and promoting the conservation of water resources;
- preserve the quality of the soil and subsoil and minimize their impact on it, as far as possible;
- ensure that biodiversity is preserved in all their activities and throughout the entire supply chain.

5.4. Waste management

Suppliers will take the necessary measures to minimize the production of waste and the use of natural resources.

Suppliers will ensure the application of good waste management practices - identifying, in turn, reliable partners who share the same approach -, reducing their footprint and promoting the circular economy.

6. Violations and Monitoring

6.1. Violations of the Code

Any violation of this Code must be reported to the Supervisory Body of the Group Company in which the violation occurred, in accordance with the reporting procedure set forth in the Model 231/01, even on a confidential or anonymous basis.

If the Group Company does not have its own Supervisory Body, the violation must be reported to the Supervisory Body of the parent company GranitiFiandre s.p.a.

GranitiFiandre and Iris Ceramica Group reserve the right to initiate a process of verifying the Supplier's compliance with the content of this Code whenever they deem it appropriate.

Once the report has been verified, the Supervisory Body will suggest to the Company Management any actions to be applied pursuant to the "Sanctioning System" provided for by Model 231.

GranitiFiandre S.p.A. and Iris Ceramica Group reserve the right to terminate the relationship with the supplier depending on the severity of the violation.

6.2. Monitoring

In accordance with its annual audit program, the Supervisory Body pursuant to Legislative Decree no. 231/01 will independently examine and evaluate the internal control system, in order to verify that the provisions of Model 231/01 and this Code are respected.

Furthermore, the Supervisory Body will recommend improvements based on emerging "best practices" or if gaps or critical issues are identified.

In the event that a violation, gap or criticality is identified, the Group Management will assess whether any revisions of this Code or improvements to the other internal organizational tools might help prevent any repetition of the violation.

6.3. Supplier's declaration

The Supplier:

- accepts and agrees to respect the aforementioned rules, which constitute an essential prerequisite for the existing commercial relationship with GranitiFiandre s.p.a. and Iris Ceramica Group;
- agrees to implement the due diligence process, which may include self-certifications, online assessments, risk and impact assessments, data collection, internal or third party audits, as well as the supply of certifications, accreditations and/or documents demonstrating compliance with this Supplier Code of Conduct;
- accepts that GranitiFiandre s.p.a. and the IRIS group or a designated third party may carry out announced/unannounced audits/inspections in accordance with the commitments, agreements or contracts entered into;
- in turn, will ensure the application of this Code to its suppliers by implementing a due diligence process along the entire supply chain on its employees, agents, subcontractors, suppliers and subcontractors to the extent that they are involved in the supply of goods and/or services to GranitiFiandre s.p.a. and the IRIS group.