

Eural Gnutti S.p.A. respects the Human Rights of Employees and Local Communities and is committed to promoting these principles with its Suppliers/Subcontractors by identifying and managing the environmental, social and economic impacts within the supply chain and committing to purchase sustainable, ethical and responsible materials, goods and services.

Specifically, Eural Gnutti S.p.A. undertakes to

- avoid negative social and environmental impacts in the supply chain;
- reduce the environmental impact of operations by purchasing products that meet recognised environmental standards.

The sustainable procurement practices, to which Eural Gnutti S.p.A. is committed at all levels of its organisation, are as follows:

- Purchasing goods and using services in line with international principles to promote and protect Human Rights as recognised by the United Nations Global Compact principles (as defined by the Universal Declaration of Human Rights) and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work for everyone involved in the corporate supply chain;
- To ensure the monitoring of the supply risk, particularly for raw materials, from conflict zones, to ensure responsible supplies following the approach based on the 'OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas';
- Inclusion, where possible, of sustainability criteria as part of the evaluation process of suppliers and subcontractors;
- Enforcement of environmental and safety legislation, including international obligations on climate change and sustainable development such as the reduction of CO₂ emissions and the protection of biodiversity;
- To give priority, where possible, to Suppliers/Subcontractors who have embedded ethical and sustainable practices within their organisation and also pursue them within their supply chain;
- To promote a level of sustainability awareness among supply chain partners and encourage them to adopt sustainable practices;
- To purchase, where possible, goods and services that reflect appropriate and recognised environmental specifications or standards in order to pursue continuous improvement of internal procurement practices;
- Only buy products from sustainable sources whenever possible;
- Promote the substitution of potentially environmentally harmful products when a less harmful alternative is available;
- To avoid the use of potentially environmentally harmful products when a less harmful alternative is available;

- To use, where possible, products that have minimal impact on the environment, both locally and globally. Factors taken into consideration will include sustainability of production, transport, energy used, raw material consumption, waste generation and percentage of recycled content or a high recyclability factor;
- To reduce, where possible, the impact of deliveries and favour the sourcing of materials, products and services from local markets;
- To consume and purchase less where possible, identifying and eliminating wasteful practices in internal and external operations over which Eural Gnutti S.p.A. has influence.

In particular, Suppliers/Subcontractors are required to include sustainability criteria as part of the procurement process:

- to give preference to RoHS compliant purchases of Electrical and Electronic Equipment in order to limit the presence of lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ethers in end products;
- requiring compliance with the REACH regulation for purchased chemicals resulting in a reduction in the use of environmentally harmful substances;
- to prefer recyclable packaging, FSC-certified wood and paper, ensuring that the product comes from a responsibly managed forest and supply chain;
- to prefer FSC-certified cellulose fibres;
- to favour the purchase of steel materials from suppliers that produce by implementing measures for the health and safety of workers, energy efficiency and the reduction of environmental pollution;
- to provide for compliance with legislative requirements in terms of ethics, integrity and anti-corruption in Supply/Subcontracts;
- to reduce the impact of distribution by favouring the sourcing of materials, products and services from local companies close to the places of use (construction sites, etc.);
- to promote the reuse and recycling of materials and products at the end of their life cycle and, where this is not possible, ensure disposal in the most proper way;
- to participate in sustainable development programmes (e.g. Ecovadis, UN Global Compact, etc.);
- to prefer Suppliers/Subcontractors who implement sustainable development practices; the specific selection procedure, within the IMS, includes the pre-qualification, qualification and monitoring activities of suppliers, which is carried out through the sending of specific qualification questionnaire; in this way, the actions of Stakeholders aimed at a social commitment are known, including through the possession of voluntary certifications, such as

- ISO 9001 - as an objective to ensure customer satisfaction through, for example, cost control, waste reduction, increased productivity and effectiveness of internal processes, resulting in a reduction of inefficiencies;
- ISO 14001 - as its main objective is to ensure that all activities, production and non-production, carried out by the organisation are environmentally friendly; in fact, it allows the organisation to pursue objectives and implement policies that take into account legal requirements and information regarding significant environmental aspects;
- ISO 45001 - its main objective is to ensure that the working environment in which all company activities take place is safe and healthy, to prevent work-related injuries and illnesses and to proactively improve Occupational safety and health performance (OSH);
- ISO 37001 - helps to prevent, detect and manage situations of corruption (active or passive) on the part of the organisation, its staff and business associates by promoting a set of measures and controls and providing supporting guidance for their implementation;
- UNI/PdR 125 - promotes the adoption of gender equality and women's empowerment policies at company level and with the aim of improving women's access to the labour market, leadership and life-time harmonisation;
- SA8000 - 'Social Accountability Management System' - aims to improve working conditions and to protect and enhance the staff of a company. It is based on three key points: human resources improvement, the fair treatment of employees and the incorporation of international conventions. It is a benchmark that, by its very nature, involves the whole company and requires the attention and participation of management, top management, employees, suppliers, subcontractors and customers;
- ISO 20400 - the guideline to bring the company's Procurement (Budget Managers, Purchasing Department) and Social Responsibility (CSR) Functions in line with the Principles of Sustainability, mitigating the risks associated with inappropriate choices (e.g. non-compliance, climate-damaging production activities, etc.) and gaining reputational benefits.

In this way, Eural Gnutti S.p.A. selects its suppliers/subcontractors giving preference to those who pay particular attention to:

- environmental issues and impacts (waste management, etc.) of their products throughout their life cycle;
- social issues of fairness, equal opportunities, inclusion, absence of exploitation, economic treatment and working hours of employees in accordance with the 'National Collective Bargaining Agreements' of the category;
- ethical issues related to the fight against corruption and respect for human rights.

In order to obtain these guarantees of commitment, Eural Gnutti S.p.A. transmits these principles to its suppliers by attaching to each supply/subcontract the "Supplier Quality Manual" and the "General Contractual Conditions", which contain specific prescriptions that are deemed to be accepted by the supplier when the contractual document is signed.

This document is subject to an annual assessment of its adequacy during the Management Review, where quantitative targets are also defined and set over time, and may be amended and supplemented on the basis of the results of monitoring activities, national and international regulatory indications on the subject, as well as suggestions from the Company Functions/Units

Any modification or addition is approved by the Board of Directors of Eural Gnutti S.p.A. and subsequently communicated to all Addressees.

This Policy is shared with all stakeholders, in particular suppliers/subcontractors; the document is in fact, made available to all interested parties both at the Company's workplaces and through publication on the corporate website; finally, the promotion and dissemination of this document also takes place through the provision of training sessions differentiated according to the areas of operations, roles and responsibilities.

Rovato, 27/09/2024

*The General Management
(Paola Gnutti)*


