



# Code of Conduct for Suppliers

*Helping to make life better:*

*Producing for global industry and working to improve the quality of everyday life.*

This is our ambition and our responsibility.

Over time, the ESSECO GROUP has combined its growth strategy with the development of a corporate culture inspired by shared principles, commitments and exemplary social responsibility.

ESSECO GROUP manages and develops a global Industrial Division with responsibility, competence and financial stability, focused on the prosperity of its ecosystem of shareholders, customers, employees and local communities and local communities.

ESSECO GROUP INDUSTRIAL DIVISION has always been guided in its vision and decisions by the clear and deep-rooted values that form its DNA:

- **PASSION** for efficiency, commitment and quality. We love making things work well, in the best possible way; we are convinced that things must work overtime, consistently and with continuity; we believe that this also requires adding art to passion, so that things not only work well, but also create added value.
- **RESPONSIBILITY** for dynamic care. Responsibility begins with the individual: each of us in the company has been given something and must guard it with prudence and courage, like a good family man.  
But we want our work to be enriched every day by its content, by valuing people and the best talents, by going beyond the logic of mere conservation. We are aware and attentive to the impact that each of our actions has on the entire territory and the world, in terms of the environment, safety and quality of life.
- **OPENNESS** to always move forward. We allow our tradition to sustain us without becoming an obstacle to the growth of the present, so that we can look to the future with confidence. We cultivate curiosity and make room for good ideas from everyone, allowing them to emerge and become part of our strategies. If we continue to make progress, it will be because we know how to give the best energies and abilities a chance to express themselves, to develop everyone's skills and to turn mistakes into opportunities for growth.

We want to lead our businesses and the people who work in them with passion, responsibility and openness to global excellence, helping the world to have more quality, safety and **sustainability** in the products of everyday life.

Thanks to continuous research and development by ESSECO GROUP INDUSTRIAL DIVISION companies, the range of new applications for our products is constantly expanding:

fine chemical industry, PVC and other polymers, water purification, organic solvents, leather industry, inks and pigments, textile, natural food preservatives, nutritional supplements and animal feeds, products for the wine industry, rubber vulcanizers, the production of high-performance batteries, pharmaceutical and personal care products, fixatives for photography and radiology, agrochemicals industry, paper bleaching agents and furniture glues, airport runway deicers, industrial detergents and much more.



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Although not directly involved in the production of consumer goods, ESSECO GROUP INDUSTRIAL DIVISION develops, manufactures and sells products that are indirectly used in the daily lives of at least one billion people.

We strive to exceed our customers' expectations every day, with a proactive approach and a helpful, positive attitude.

## CORPORATE SOCIAL RESPONSIBILITY

Ensuring *sustainable development* principles in our supply chain is important for us.

We believe that working towards **sustainable development** will help to improve the operational efficiency of our plants, making them independent of fossil fuels, while providing better (greener and more cost-effective) solutions for our customers.

In our day-to-day operations, we are committed to respecting the environment and protecting the health and safety of the people who work in our plants and the communities in which we operate. We actively contribute to the development of these communities through scholarships, investment in sports facilities and targeted interventions to support the purchasing power of the families of our employees.

Through our technologies, products, ideas and innovations, we work to make the best possible contribution to a viable future with a better quality of life for all. We are firmly committed to high standards of legal compliance and business ethics.

## DECARBONISATION

*The chemistry we need, in a responsible way.*

The ESSECO GROUP INDUSTRIAL DIVISION is actively involved in the European Green Deal, through a continuous commitment to reduce greenhouse gas emissions.

In 2023, the Italian industrial sector will have a direct contribution of more than 41% from renewables. Taking into account the CO<sub>2</sub>-free self-produced electricity and the share of renewables in the grid operator's mix, a coverage of 55% is reached.

ESSECO GROUP INDUSTRIAL DIVISION has formulated an **approach to sustainability** that integrates various environmental, social and governance issues into its business activities along two lines of action:

- Offering products and services to the market that promote a responsible, ethical and inclusive transition with reduced environmental impact,
- consciously managing aspects relating to people's lives, the quality of the environment and the corporate governance system in the conduct of its business, in line with international best practice and as a reference for the various stakeholders involved.

The **publication of the Sustainability Report** confirms the path begun last year with our Italian companies and represents a further decisive step towards improving and systematizing the series of initiatives that our Group has been undertaking for some time in the broader field of social responsibility and towards defining the **sustainable development strategy** that will guide our future growth path.



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This report will make it possible to evaluate and measure in concrete terms, through data and analysis of the targets achieved, the efforts made by our companies in 2023 in relation to the objectives set at the beginning of the year, which show how the governance and policy guidelines provide an operational and achievable path. **A journey towards truly sustainable chemistry.**

## CODE OF CONDUCT

Our Code of Conduct applies to all organizations providing goods and services to ESSECO GROUP INDUSTRIAL DIVISION.

It outlines the standards and expectations we have for all our suppliers.

It aims to achieve the following:

- **ALIGNEMENT:** Clearly communicate our core values and expectations.
- **RISK MITIGATION:** Hedge against potential misconduct in the supply chain.
- **LEGAL COMPLIANCE:** Ensure adherence to relevant laws and regulations.

**We want to partner with our suppliers to further develop sustainability performance in our supply chain.**

## Principles

When Suppliers contract with ESSECO GROUP INDUSTRIAL DIVISION they agree to observe the following ESG principles.

### 1. ENVIRONMENT

#### Environmental Protection

Suppliers should ensure that their activities have a minimal impact to the environment. Suppliers must operate as environmentally responsibly and efficiently as possible. Suppliers are encouraged to use their best efforts to reduce or eliminate emissions generated by their activities, to preserve natural resources, to avoid or minimize the use of hazardous substances, and when possible, to promote waste recycling or reuse.

#### Environmental Authorizations

Suppliers shall ensure compliance with all applicable regulations and recommendations relating to environmental protection in force within the countries where they carry out activities. All required environmental permits, licenses, registrations, etc., shall be obtained and their operational/reporting requirements followed.

#### Waste and Emissions

Suppliers shall minimize environmental impact and continuously improve their environmental performance. Appropriate systems for the recycling, disposal, movement and storage of all types of waste (water, solid, air, etc.) shall be in place, managed, maintained and kept up to date.

### 2. SOCIAL

#### A. SOCIAL PRACTICES

Suppliers declare that they comply with social regulations and any regulations specific to their business, with particular regard to safety at work.



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## **Discrimination in employment and occupation**

Suppliers shall ensure diversity and equal opportunities for access to employment or career development regardless of race, color, religion, gender, age, political opinion, national origin, social origin and sexual orientation. They shall provide equal pay for equal work performed under similar conditions of supervision.

They shall facilitate access to employment for persons with disabilities, vulnerable groups and hard-to-place persons.

## **Freedom of association**

Suppliers should encourage their employees to communicate freely with their superiors concerning working conditions, compensation, etc., without fear of reprisals, intimidation, or harassment. Employees should be free to join any trade union of their choice, to seek representation, and join workers' councils.

## **B. HEALTH AND SAFETY**

Suppliers shall ensure that their activities do not endanger the health of:

- their employees,
- their subcontractors
- the local community
- the users of the products

## **Occupational safety**

The suppliers shall protect workers from exposure to chemical, biological and physical hazards in the workplace as well as from risks associated with any infrastructure used by their employees.

## **Product safety and Training**

Safety information shall be available to educate, train, and protect workers from hazards. This includes safety information about hazardous substances used: chemicals, pharmaceuticals, intermediate products, etc.

Material Safety Data Sheets (MSDS) containing all necessary safety information shall be made available by Suppliers for all substances and shall be made available by Suppliers to the ESSECO GROUP INDUSTRIAL DIVISION and to all parties with a legitimate need to know.

## **C. LABOR**

### **Use of forced labor**

Suppliers shall not use forced labor.

The definition of forced labor corresponds to ILO (International Labor Organization).

Conventions n° 29 and 105 and includes work done under duress or as a result of coercion on political prisoners, the requisition of labor for economic development, compulsory labor as a means of labor discipline, punishment for participation in strikes, or an act of racial, social, national, or religious discrimination.

### **Child labor**

Suppliers shall not employ in any manner whatsoever any person below the minimum age for work as defined by national legislation and ILO Conventions Nos. 138 and 182, it being understood that the higher age referred to in these references shall be considered.



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## 3. GOVERNANCE

### A. HUMAN RIGHTS

Suppliers shall foster and respect the protection provided by the international law on human rights within their spheres of influence and they shall ensure that their companies are not complicit in any human rights violations, as defined in the Universal Declaration of Human Rights.

### B. ETHICS

#### **Fight against corruption**

Suppliers will be committed to working against corruption, including extortion and bribery. Suppliers shall conduct their business using fair business practices, consistent with fair competition and in compliance with all applicable laws, rules, and regulations.

#### **Legal Compliance**

Suppliers shall comply with all applicable local and international laws and regulations.

They guarantee compliance with the regulations in force:

- REACH on chemicals, according to the European Regulation 1907/2006/EC on REACH.

Suppliers shall provide ESSECO GROUP INDUSTRIAL DIVISION with information on their compliance with REACH and fulfil their obligation to provide information on the presence of Substances of Very High Concern (SVHC) above a threshold of 0.1% w/w in the equipment, packaging and accessories sold, in accordance with Article 33 of the said Regulation.

#### **Whistleblowing**

Suppliers shall encourage their workers to report concerns or illegal activities within their workplace without threat of reprisal, intimidation or harassment. Suppliers shall investigate and take corrective action where needed. All reported cases will be officially recorded by suppliers.

#### **Privacy**

Suppliers shall secure and use properly any confidential information made available by ESSECO GROUP INDUSTRIAL DIVISION to ensure that the privacy rights of the company, its employees, and its customers are protected.

Esseco Industrial CEO  
*Ing. Roberto Vagheggi*

A blue ink handwritten signature of Roberto Vagheggi, the CEO of Esseco Industrial.



# *Code of Conduct for Suppliers*

## **IMPLEMENTATION**

### **LEGAL VALUE**

This Code of Conduct is a reference that ESSECO GROUP INDUSTRIAL DIVISION wishes its suppliers to follow. Suppliers should comply with this Code of Conduct in order to be referenced by ESSECO GROUP INDUSTRIAL DIVISION.

### **SCOPE OF APPLICATION**

The Code of Conduct should be signed by all suppliers to the ESSECO GROUP INDUSTRIAL DIVISION, and it encourages its suppliers, subcontractors and partners to adopt a similar initiative with their suppliers.

### **SUPPLIER COMMITMENT**

#### **Commitment**

In all cases, Suppliers shall, as a minimum, comply with directly applicable national, local and international standards.

By signing this Code of Conduct, Suppliers accept its terms and commit to comply with its principles or to implement an improvement process to meet its requirements.

#### **Improvement Plan**

ESSECO GROUP INDUSTRIAL DIVISION and its Suppliers are committed to a mutual and continuous improvement process. ESSECO GROUP INDUSTRIAL DIVISION remains attentive to any difficulties that may arise from the application of the principles of this Code of Conduct, as in some cases the principles of this Code of Conduct may cause consequential damage that is greater than the situations it is intended to correct. In this case, ESSECO GROUP INDUSTRIAL DIVISION and the suppliers concerned will meet to adopt the principles and take appropriate measures together.

### **RECOGNITION OF SUPPLIER PERFORMANCE**

Supplier performance is monitored by the QHSE & Purchasing Department, which participates in the overall evaluation of suppliers.

### **COMMUNICATION OF INFORMATION**

The ESSECO GROUP INDUSTRIAL DIVISION invites its Suppliers to provide information on their practices in the areas covered by this Code of Conduct, for example in the form of a report.

The Supplier may be audited by the Purchasing and/or QHSE Department of the ESSECO GROUP INDUSTRIAL DIVISION or by an external auditing company appointed by the ESSECO GROUP INDUSTRIAL DIVISION, on the basis of defined criteria and in order to assess its commitment to the principles of the Code of Conduct. The results of the audit will have a direct impact on the supplier's annual evaluation score.



# *Code of Conduct for Suppliers*

We, the Supplier, hereby certify that we understand, agree and accept the above Code of Conduct.

I the undersigned (full name):	
Acting as (position in the company):	
Representing the company (company name):	
Legal Address of the company:	
Town:	
Postcode:	
Signed in (town, country):	
Date (DD/MM/YY):	
Stamp and Signature:	