

	Object	Document nr	Rev
	Guidelines for responsible procurement	G.IOS.063	00
	Document type	Distribution	Date
	IOS	Group	13.09.2023
		Standard	
		Q-HS-E	

Summaries

History of revisions	1
1. Scope.....	2
2. Social Responsibility.....	2
3. Environmental Responsibility.....	4
4. Ethical Responsibility	5
5. Promotion of standards in the supply-chain.....	6

History of revisions

Rev	Data/ Date	Descrizione/ Description	Creato da/ Created by	Approvato da/ Approved by
00	13/09/2023	Creazione	L.Lingiari	M.Cosmi

Object	Document nr	Rev
Guidelines for responsible procurement	G.IOS.063	00
Document type	Standard	Date
IOS	Q-HS-E	13.09.2023
Distribution		
Group		

1. Scope

Preamble

These Responsible Procurement Guidelines set out the commitment of Industrie Salero Italo S.p.A. to the application of social, ethical and environmental principles in its own supply-chain.

Over the years and with the major international expansion that has made Salero a global group, sensitivity towards respect for people has led to acceptance of the principles of the United Nations Global Compact which are based on the universal pillars of human rights: the Universal Declaration of Human Rights, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention against Corruption.

The Guidelines for responsible procurement address the issues included in the Global Compact in the areas of human rights, labor, environment and anti-corruption and interpretation of the Guidelines should be undertaken in a manner consistent with the Global Compact. Suppliers interested in supporting the Global Compact and obtaining more information on the ten principles, can visit the Global Compact website at www.unglobalcompact.org

The principles contained therein are also implemented through the policies, practices, terms and standard conditions of supply of Industrie Salero Italo S.p.A. as well as the standards required from its personnel, suppliers and sub-suppliers. The goal is to create an ethical and responsible supply-chain that goes beyond compliance with the law through the implementation of responsible business practices.

Industrie Salero Italo S.p.A. asks all current and potential suppliers and sub-suppliers of their supply-chain to respect, adopt, communicate and promote the principles illustrated in this guide and to take the necessary measures to respect the principles contained in its Code of Ethics (www.salero.itcom), in full compliance with the laws in force in the following sectors:

2. Social Responsibility

a. Human Rights

The protection of internationally proclaimed human right is supported and respected, ensuring not to be complicit in human rights abuses.

b. Slavery and Human Trafficking

No form of slavery or human trafficking can be tolerated.

c. Child Labor

Child labor and employment of persons under the age of 15 are not accepted.

d. Forced or Compulsory Labor

Object	Document nr	Rev
Guidelines for responsible procurement	G.IOS.063	00
Document type	Standard	Date
IOS	Q-HS-E	13.09.2023
	Distribution	
	Group	

All forms of forced or compulsory labor in all its forms, including and disciplinary practices that involve physical or psychological abuse as well as employment in connection with the seizure of work permits or identity documents are condemned.

e. Compensation

The welfare of employees is promoted by recognizing compensation and competitive benefits that comply with applicable laws.

f. Freedom of Association and Collective Bargaining

The right of employees to the freedom of trade union association is recognized and respected. Cooperation with recognized trade union representatives is promoted.

g. Ethical recruitment

Hiring workers lawfully and in a fair and transparent manner based on merit that respects and protects their rights including but not limited to, freedom of movement, respect for transparency of terms and conditions of employment, confidentiality and data protection, avoiding any form of discrimination.

h. Discrimination

Equal opportunities are promoted and all forms of discrimination are firmly condemned, including, but not limited to, discrimination, harassment or retaliation for reasons of age, disability, gender change, marriage and civil unions, pregnancy, maternity and paternity, race, religion or belief, sex and sexual orientation.

i. Health and Safety

A safe and healthy workplace that meets or exceeds current occupational safety and health standards is promoted.

l. Work Hours, Wages and Benefits

The legislation on working hours is respected. Wages will be paid in compliance with applicable laws and regulations, including those relating to the minimum wage and mandatory benefits.

m. Bullying and Harassment

Bullying or harassment for any reason are condemned.

n. Diversity and Equal Opportunities

Diversity takes place through the variety of differences between people in an organization. Diversity encompasses acceptance and respect. It is an understanding that each individual is unique, and a recognition of our individual differences. These differences can include gender, ethnicity, sexual orientation, age, physical and mental abilities, family status, religious beliefs, perspective, experience, or other ideologies, thinking styles, experience, and education. Any form of discrimination or harassment based on stereotypes (i.e. sexism, racism, ageism) are strictly condemn

Object	Document nr	Rev
Guidelines for responsible procurement	G.IOS.063	00
Document type	Standard	Date
IOS	Q-HS-E	13.09.2023
Distribution		
Group		

3. Environmental Responsibility

In addition to the principles set out above, Industrie Saleri Italo S.p.A. is committed to satisfy relevant environmental standards as follows:

a. ISO 14001 Certification

Industrie Saleri Italo S.p.A. achieved the ISO14001 certification in 2014. The objectives and commitments for the environment are set out in the Environmental Policy (www.saleri.it), which is periodically reviewed and updated, in a process of continuous improvement according to the requirements of the international standard.

b. Operational Environmental Performance

Commitment to preventive protection of the environment is an integral part of our business. The choices made with regard to each activity pursued are aimed at minimizing:

- i. the Consumption of natural resources (energy and raw materials consumption)
- ii. Waste (solid and liquid, waste water discharges)
- iii. Emissions (air quality)

The use of chemicals for production is carried out trying to minimize its use, quantity and preferring non-hazardous or less dangerous substances. The disposal of unused waste or contaminated packaging (containers) is carried out scrupulously following the rules for proper waste management.

c. Product Environmental Performance

All products manufactured within our supply-chain will fully comply with all applicable environmental legislation. This includes, but is not limited to:

- i. Recyclability
- ii. Recoverability
- iii. Reusability
- iv. End-of-Life-Vehicle-Directive (ELVD)

d. Renewable energy, waste reduction and sustainable resource management

The choices made with regard to each activity pursued are aimed to:

- i. maximizing the use of renewable energy
- ii. minimizing waste, through innovation or improvement in processes and best practice implementation
- iii. maximizing the use of recyclable material and minimizing waste.

e. Biodiversity, land use, deforestation and soil quality

Object	Document nr	Rev
Guidelines for responsible procurement	G.IOS.063	00
Document type	Standard	Date
IOS	Q-HS-E	13.09.2023
Distribution		
Group		

Impact on nature, biodiversity, land use, deforestation and soil quality should be minimize. Assessing and monitoring risks of harm biodiversity, soil quality, forest or nature in general, should be assessed and monitored.

4. Ethical Responsibility

In addition to our established standards for corporate conduct that you can find in extensive terms in Industrie Salero Italo S.p.A.'s Ethics Code (www.salero.itcom), we would like to draw your attention to the following:

a. Anti-Corruption and Bribery

All activities must be conducted in an honest and ethical manner. Every form of corruption is condemned. All commercial relationships must be managed professionally, fairly and whole.

b. Anti-Competitive Behavior

All the business dealings must be conducted in line with all applicable competition laws and regulations. In particular, anti-competitive agreements with competitors or exchange competitively confidential information of suppliers with other suppliers are forbidden.

c. N. 231/01 Legislative Decree, Responsibility of companies

Suppliers also undertake to comply with the provisions of the Code of Ethics and the Organizational, Management and Control Model adopted pursuant to Legislative Decree 231/01 by Industrie Salero Italo S.p.A..

d. Accurate Records

Suppliers are expected to maintain accurate records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. Records should be retained based on all applicable legal and contractual retention requirements.

e. Intellectual Properties and Counterfeit Parts

Suppliers shall respect intellectual property rights and always refrain from breaching any third-party intellectual property. Suppliers shall not commit any form of infringement or supply counterfeit products.

f. Disclosure of Information

Suppliers shall take the necessary measures to protect all sensitive information and data, including, but not limited to, confidential, proprietary, company specific and personal information and data.

g. Export Control and economic sanctions

Suppliers must ensure that their actions comply with all applicable laws and regulations that apply to the import and export of goods they provide or services they render.

Object	Document nr	Rev
Guidelines for responsible procurement	G.IOS.063	00
Document type	Standard	Date
IOS	Q-HS-E	13.09.2023

h. Conflict of Interest

Suppliers shall avoid all forms of conflicts of interest and situations that could have the appearance of a conflict of interest in the business they conduct.

f. Competition & Antitrust

Suppliers shall comply with all applicable antitrust, competition and trade practices laws and regulations.

5. Promotion of standards in the supply-chain

Industrie Salero Italo S.p.A. promotes the realization of a sustainable and responsible supply-chain that is compliant with all relevant legislation.

In this regard, Industrie Salero Italo S.p.A. may request the supplier to allow the visit, including, but not limited to, the location of the production sites for assessment of compliance with the foregoing.

The provision set forth in these Guidelines provide the minimum standard expected of supplier to Salero Group. The principle of Continuous Improvement is a key factor that affect the entire value chain including customers, Salero and suppliers. Salero recognize that reaching some of the standard established in these Guidelines is a dynamic rather than a static process and encourage suppliers to continually improve on matters of social, ethical and environmental responsibility.

Salero group strongly encourage its supplier in the promotion of these standards along the whole supply chain, the definition and implementation of similar standards based on the industry best practice towards own tier-1 supplier and, therefore, the spread of binding requirement (see also Salero Group General Supply Terms and Conditions).

Industrie Salero Italo S.p.A. will not enter into commercial relationships with suppliers who do not recognize and accept the provisions described above. Furthermore, any violation of the latter in the course of an existing relationship legitimizes Industrie Salero Italo S.p.A. to terminate in advance any contractual relationship.