

Eural Gnutti respects the Human Rights of Employees and local Communities and is committed to promote these principles with its Suppliers/sub-Contractors by identifying and managing the environmental, social and economic impacts within the supply chain, and to commit to buy sustainable, ethical, and responsible materials, goods and services.

Specifically, Eural Gnutti commits:

- To avoid negative social and environmental impact in the supply chain;
- To reduce the environmental impact resulting from operating activities through the purchase of products that comply with established environmental standards.

The practices of sustainable procurement, where Eural Gnutti is committed at all levels of the organization, include the following:

- To buy goods and use services in line with international principles designed to promote and protect Human Rights recognized by the principles of the Global Compact of the United Nations (as defined by the Universal Declaration of Human Rights) and the Declaration of the International Labour Organisation (ILO) on fundamental principles and rights at work for everyone involved in the supply chain of the company;
- To Include, where possible, the sustainability criteria as part of the process of evaluation of suppliers and subcontractors;
- To enforce environmental and safety legislation, including the international obligations in the field of climate change and sustainable development, such as the reduction of emissions of CO₂ and the protection of biodiversity;
- To give priority, where possible, to Suppliers/Subcontractors who have embedded ethical and sustainable practices within their organization and also pursue them within their supply chain;
- To promote a level of awareness of sustainability issues among the partners of the supply chain and to encourage them to adopt sustainable practices;
- To purchase, where possible, goods and services which reflect the specific or environmental standards as appropriate and recognized in order to pursue the continuous improvement of internal practices of supply;
- To purchase, whenever possible, only products originating from sustainable sources;
- To promote the replacement of products that are potentially harmful to the environment when it is available a less harmful alternative;

- To avoid the use of products that are potentially harmful to the environment whenever a less harmful alternative is available;
- To use, whenever possible, products that have a minimal impact on the environment, both locally and globally. The factors taken into account include the sustainability of production, transportation, energy use, raw material consumption, waste production, and the percentage of recycled content or a high recyclability ratio;
- To reduce, whenever possible, the impact of the deliveries and facilitate the supply of materials, products, and services from local markets;
- To consume and buy less, where possible, by identifying and eliminating wasteful practices in internal and external operations over which Eural Gnutti has influence.

In particular, the Suppliers/sub-Contractors are required to include Sustainability criteria as part of the procurement process, and in general:

- To prefer purchase of Electrical and Electronic Equipment RoHS compliant in order to limit the presence in the end-products of lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ethers;
- To require compliance with the REACH regulation for chemicals purchased with a consequent reduction in the use of substances harmful to the environment;
- To prefer recyclable packaging, wood, and paper, FSC certified, ensuring the product's origin from a forest and supply chain that is managed in a responsible way.
- To prefer FSC-certified cellulose fibers;
- To prefer to purchase metal materials from suppliers that produce them directly, by implementing measures for the health and safety of workers, energy efficiency and reduction of environmental pollution;
- To ensure supplier compliance to legislative requirements in terms of ethics, integrity, and corruption prevention;
- To reduce the impact of distribution, by encouraging the procurement of materials, products, and services from local businesses, close to the places of employment (construction sites, etc);
- To promote the reuse and recycling of materials and products at the end of their life cycle, and, should this not be possible, to ensure disposal in the most correct way;
- To participate in sustainable development programs (such as Ecovadis, A Global Compact, etc);

- To prefer Suppliers/Subcontractors implementing sustainable development practices; the specific selection procedure, internal to the IMS, includes the pre-qualification, qualification and monitoring of suppliers, which is carried out by sending the dedicated qualification questionnaire; In this way, the actions of the Stakeholders aimed at social commitment are also known through the possession of voluntary certifications, such as, for example:
 - ISO 9001 – the objective is to ensure customer satisfaction through, for example, cost control, reduction of waste, increased productivity and effectiveness of internal processes, resulting in a reduction of inefficiencies;
 - ISO 14001 – its main objective is to ensure that all activities, productive and non-productive, carried out by the organization are environmentally friendly; in fact, it allows the organization 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 environments in which all company activities take place are safe and healthy, preventing work-related injuries and illnesses and proactively improving its SSL performance;
 - ISO 37001 – helps to prevent, detect and manage situations of corruption (active or passive) on the part of the organization, its staff and business associates, by promoting a series of measures and controls and providing supporting guidance for their implementation;
 - UNI/PdR 125 – promotes the adoption of policies for gender equality and women's empowerment at company level and thus aims to improve women's access to the labor market, leadership and life-time harmonization
 - SA8000 – "the System of management of social responsibility" - aims to improve working conditions and to protect and develop the staff of a company. It is based on three key points which are the improvement of personnel, the fair treatment of employees and the inclusion of international conventions. It is a benchmark that, by its very nature, involves the entire company and requires attention and participation from management, top management, employees, suppliers, subcontractors and customers;
 - ISO 20400 - the guideline that enables the company's Procurement (Budget Managers, Purchasing Department) and Social Responsibility (CSR) Functions to conform to the Principles of Sustainability, mitigating the risks associated with

inappropriate choices (e.g. non-compliance, climate-damaging production activities, etc.) while also gaining reputational benefits.

In this way, Eural Gnutti chooses its suppliers/sub-contractors with a preference for those who pay special attention:

- To environmental issues and impacts (waste management, etc.,) that their products have on the environment throughout the life cycle;
- To the social problems of fairness, equal opportunity, inclusion, and the absence of exploitation, the economic treatment and working hours of the employees comply with the “National Collective Agreements” category;
- To the ethical issues related to the fight against corruption and respect for human rights.

In order to acquire these warranties of commitment, Eural Gnutti transfer these Principles to the Suppliers, attaching to each supply contract/subcontract the “Supplier Quality Manual” and the “General Conditions of Contract” containing specific regulations that are accepted by the contractor with the signing of the contract document.

This document is subject to annual assessment of adequacy in the course of the management Review; in such a place are also defined and set quantitative targets over time and can be modified and integrated on the basis of the evidence emerged in the course of the monitoring activity guidelines, national regulations and international standards as well as suggestions from the Functions/business Units of the Company

Any change or addition is approved by the board of directors of Eural Gnutti and subsequently communicated to all Recipients.

This Policy is shared with all stakeholders, in particular the suppliers/sub-contractors; the document is made available to all interested parties, both at the places of work of the Company, with the publication on the company's website; and, finally, the promotion and dissemination of this document is also by means of the provision of training sessions differentiated in function of the areas of operations, roles and responsibilities.

Rovato, July 15, 2024

*The General Management
(Paola Gnutti)*


