

# Code Of Ethics



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In the economic and financial jargon, Corporate Social responsibility (CRS) incorporates and shows ethical concern within the corporate strategic vision. It is a manifestation of the intention of small, medium and large business to effectively manage the social and ethical impact issues internally and within their areas of activity.

EBI is committed to creating value for its stakeholders.

The principles for the sustainable development (creation, sustainable environmental performance and corporate social responsibility) form an integral part of our business strategy.

Our approach to sustainable development also includes the business relation with our suppliers.

## CODE ETHICS

EBI is striving to observe the internationally recognised fundamental rights of workers.

The contents of this Code represent EBI's policy as regards social responsibility.

The integral compliance with the Code represents, for Suppliers, the key requirement for the establishment, consolidation and continuation of business relationships with EBI.

- a) EBI undertakes to comply with the principles expressed by this Code of Ethics and expects that the Entity equally shares the same. EBI requires that the Entity subjected to this Code of Ethics ensures that its subcontractors comply with provisions hereof. This Code of Ethics is therefore available for all our suppliers in order to strengthen the mutual understanding of how sustainability might be implemented in everyday activities.
- b) In order to assess the Entity's compliance with this Code of Ethics and applicable Law, it is possible to ask any information thereon. Moreover, the right is reserved for EBI's personnel, or independent auditing companies, designated by EBI to act on EBI's behalf, to make inspections. To this end, inspectors are to be given free access to premises and plants, and are to be permitted to have confidential talks with workers, to their discretion.
- c) EBI will distribute a copy of this Code of Ethics, in Italian language, to the Entity. This Code is expected to be displayed in the Entity's factories, translated into the local language, and made available to all workers of the Entity, who shall be aware of this Code of Ethics.
- d) This Code shall be governed by and construed in accordance with the Italian laws.
- e) To comply with their social responsibilities, Entities shall conduct their business ethically and act with integrity. The ethical issues include the following:

### 1. Child labour

1.1 The Entity shall not use or support child labour: no person who is below the minimum age for employment as established by National Law to complete the compulsory education (and in any case no person below the age of 16) shall be employed by any Entity. If National Law establishes the age of 14 as minimum age, according to the exceptions provided for by the developing countries adhering to the ILO Convention 138, the age of 16 is applied in any case.

1.2 Forced labour and disciplinary measures

1.3 Forced/obliged labour/slavery shall not be used or supported in any way by the Entity.

1.4 No form of slavery shall be practised by the Entity.

1.5 No worker employed by any Entity shall be subjected to corporal disciplinary measures, mental or physical coercion, verbal abuse.

1.6 The Entity undertakes to keep an open and constructive dialogue with its employees and Trade Union representatives. Pursuant to regulations in force, workers employed by the Entity shall have the freedom to establish and/or participate in trade union organisations, appoint representatives of such Trade Unions, join the councils of workers and take part in collective labour negotiations. The Entity undertakes not to discriminate employees who act as representatives of workers.

### 2. Wages and salaries, benefits and working hours

2.1 Wage levels of all categories of workers employed by the Entity shall not be lower than the minimum wages envisaged by National Law and Collective Contracts entered into by the Entity with the trade union organisations representing their respective workers.

2.2 Overtime of workers employed by the Entity shall be voluntary, shall not exceed the maximum limits set out by National Law and shall be paid at rates of not less than those established by National Law and Collective Contracts entered into by the Entity with the trade union organisations representing their workers.

2.3 The maximum working hours of workers employed by the Entity shall not exceed the maximum number of working hours established by regulations in force. The remuneration paid to employees must be consistent with domestic laws on wages and salaries and shall ensure an adequate life standard. Unless otherwise specified by local laws, deductions on the payroll as disciplinary measure is not allowed (this does not exclude the right to claim Damages based on contract or legal terms). The Entity's employees shall be paid at the right time. It is recommended that Entities provide for adequate training and education to their employees.

2.4 Workers employed by Entities must be permitted to take rest periods in accordance with the National Law.

2.5 Workers employed by Entities must be permitted to take annual leaves, sick leaves, maternity leaves, and all other forms of leave provided for by National Law and, if more advantageous to the workers in question, by individual employment contracts and/or collective contracts entered into by Entities with the trade union organisations representing their workers.

### 3. Health and Safety

3.1 Workers employed by Entities shall be provided with a safe and hygienic work environment, in accordance with the standards established by National Law.

3.2 All health and safety facilities and equipment at all premises used by the workers employed by Entities shall comply with the standards established by National Law. Workers shall be trained for their correct use.

3.3 Machinery safety systems shall be implemented and used by the Entity and shall comply with the standards established by National Law. Workers must be trained for their correct use.

3.4 An appropriate area, or areas, shall be set aside by the Entity for its workers to take meals and pauses. These areas must comply with National Law.

3.5 All premises used by the workers of the Entity, shall comply with local fire prevention regulations, have adequate and clearly marked safety exits, be ventilated and illuminated and have hygiene facilities, all of which complying with National Law.

3.6 Medical assistance shall be available to the workers of the Entity in case of emergency and workers responsible for providing such medical assistance shall be trained in first aid procedures.

3.7 An emergency evacuation programme shall be drawn up and shall be regularly tested at all premises used by the workers of the Entity.

3.8 As regards all the hazardous substances, the Entity shall make available safety cards related to materials and including all necessary information concerning Safety.

3.9 The Entity shall adopt Safety programmes to manage and maintain all production processes and service rendering, in compliance with applicable safety standards. The Entity shall take care of issues related to products and their possible impact along the entire production process. As regards hazardous plants, the supplier shall carry out special risk analyses and implement measures aimed at averting the occurrence of any accidents, such as chemical releases and/or explosions.

### 4. Discrimination

No worker employed by the Entity shall be subjected to discrimination on any ground relating to race, social class, age, national origin, sex, disability, language, religion or trade union association.

### 5. Trade Unions

5.1 Workers employed by the Entity have the freedom to establish and/or participate in such trade union organisations as are permitted by National Law. The appointed representatives of such trade unions have the freedom to submit proposals in negotiation on issues related to workers' rights and working conditions in the manner and to the extent provided for by National Law.

5.2 Trade Union organisations, acknowledged by National Law, have the freedom to enter into collective contracts on behalf of the workers

they represent, in compliance with National Law.

## 6. Environment

6.1 Entities must operate in compliance with the contractual terms and conditions of environmental sustainability eventually agreed upon.

6.2 The Entity must operate in compliance with domestic laws and regulations concerning environment. Specifically, the Entity shall comply with national laws while handling emissions, water discharge, wastes, soil and subsoil, refrigerant gases. In any event, the company's activity must not cause any environmental damage.

6.3 In the production process, Entities shall not employ any extremely hazardous substances (such as carcinogenic, mutagenic, toxic for the reproduction) or, if employed, must adopt adequate measures in accordance with domestic laws.

6.4 The products supplied by the Entity shall comply with national and international applicable rules, especially, but not limited to, the European Regulation no. 1907/2006 (REACH), as amended and supplemented.

6.5 The Entity must evaluate all environmental emergency situations that may occur (such as fire, waste of substances with possibility of soil or water pollution, etc.) and adopt emergency procedures suited to handle those risks.

6.6 The Entity must assess its greenhouse gas emissions and, if they are material, must adopt adequate reduction measures.

6.7 Entities shall guarantee that the handling, storage, recycle, reuse of materials, as well as the management of waste, emissions in air and waste water be carried out safely. All activities of this type, which have possible negative effects on people's health or the environment, shall be adequately managed, measured, supervised and treated before releasing any substance in the environment. Entities shall provide for systems aimed at preventing and reducing accidental leaks and release of substances in the environment.

This Code of Ethics applies to all parties involved and having relations with EBI and it is notified to existing and potential Entities.

Within the qualification process, assessments will be carried out to see that new Entities comply with provisions envisaged herein.

EBI will be entitled to assess the presence of risks through self-evaluations, assessments of facts or audits, according to provisions set out by Quality Departments or local representatives. EBI will instruct the Entity on how to meet the Company's expectancies and inform the Entity on the assessment criteria.

If Entities do not meet our requirements, correction plans shall be implemented, under EBI's supervision and within an agreed period of time (that will depend on the seriousness of the issue).

The development of the Entity's potential and improvement of performance can be supported by EBI.

EBI is entitled to terminate a business relation with Entities that repeatedly and knowingly breach this Code of Ethics, refusing to adopt improvement plans.

During tenders, EBI reserves the right to exclude Entities that are not compliant with regulations or provisions at local, national or international level.

EBI commits itself on transparency and dialogue with stakeholders.

The results of our sustainable purchase process are followed and recorded, using a method that applies to all purchase functions within the Group.

In their supply chain, Entities shall notify and foster the application of the same principles highlighted herein.

If an alleged breach hereof is reported or doubts on fair behaviour arise, what is envisaged in the WHISTLE BLOWING POLICY, included in EBI's Code of Conduct, should be applied.

External sources:

United Nations Global Compact

<http://www.unglobalcompact.org>

Dichiarazione Universale dei Diritti Umani

<http://www.un.org/Overview/rights.html>

Standard Internazionali del Lavoro (ILO)

<http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm.ilo.org>

Responsible Care Global Charter

[www.responsiblecare.org](http://www.responsiblecare.org)

Linee guida OCSE per le Multinazionali

<http://www.oecd.org>

OECD Guiding Principles for Chemical Accident, Prevention, Preparedness and Response

[http://www.oecd.org/document/61/0,3343,en\\_2649\\_34369\\_2789821\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/61/0,3343,en_2649_34369_2789821_1_1_1_1,00.html)