

CODE OF CONDUCT

Sammontana Supplier Code of Conduct



SAMMONTANA ITALIA



2023 Edition

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Introduction

At Sammontana, we firmly believe that the strength of our community lies within its members, and that all are responsible for building a better future. For this reason, we have developed a Supplier Code of Conduct (hereinafter referred to as "Code"), designed to guide and inspire our relationships with our partners.

This document is grounded in the **principle of interdependence**, recognizing that in a closely interconnected system like planet Earth, the well-being of one part depends on the well-being of others. This same principle characterizes our supply chain, and in this sense, the Code provides the guidelines that we consider essential at Sammontana to ensure collective well-being. The contents of the Code address significant international themes, such as the Climate Crisis and Human Rights, topics that we have **found to be crucial** for our company through dialogues with our stakeholders, and in accordance with our **ethical code**. Therefore, this Code represents a coherent model that aligns with the reality of Sammontana and our sector.

For the creation of this document, we adopted a **co-creation** approach, inviting a sample of our suppliers to participate in defining the practices described herein, in order to gather their perspectives and ensure that the Code aligns with the expectations and needs of our supply chain.

With this Code of Conduct, we aim to encourage collaboration between our suppliers and ourselves, not only to enhance business relationships but also because, as companies, we have a responsibility for the impacts we generate on people and the biosphere. Together, we can contribute to building a future where individuals can achieve their goals and live in harmony with the planet, with passion, kindness, and always, with a smile.

Document Structure

This document reflects our commitment to responsible, ethical, and sustainable supply. To achieve this, we have drawn upon a combination of **international norms** and **standards**, ensuring that all our suppliers operate appropriately and responsibly. These norms and standards have been developed by organizations such as the International Labour Organization (ILO), the World Health Organization (WHO), the U.S. Department of Health and Human Services' Food and Drug Administration (FDA), the global B Corp movement, and the United Nations.

This document applies to all Sammontana **suppliers**.

We ask our suppliers to share the contents of this document with their employees and collaborators and to promote behaviors within their supply chains that ensure compliance with this Code. This will multiply the impact of our virtuous practices and uphold principles of sustainability throughout the value chain.

Code Areas of Impact

The principles outlined in this document are categorized based on the following **impact areas**:

- *Governance*
- *Commitment towards People*
- *Commitment towards the Planet*
- *Commitment towards Customers*

For each of these areas, we have identified the most relevant and significant themes for our sector, divided into two sections:

- **Basic Requirements**, representing the minimum level that we and our suppliers must adhere to during operational activities and which serves as a foundation for evolving practices.
- **Evolving Practices**, indicating potential future commitments for us and our suppliers, aimed at progressively enhancing our impact on people and the environment.

The applicability of basic requirements and evolving practices outlined in this document depends on the business type of each supplier.

Basic Requirements

Governance

Recognizing the present context's need to consider the consequences of company choices on people and the environment, we at Sammontana, collaborating with our suppliers, aim to increasingly integrate sustainability into business processes and governance. This will be achieved by applying the company's mission and considering the well-being of all stakeholders. To this end, together, we commit to:

Quality, Integrity, and Legality

- Adopt **fair, impartial, and ethical business practices** that exclude any form of restraint on free and fair competition, ensuring compliance with relevant laws.

- Avoid any situation that could constitute or generate a **conflict of interest** and promptly communicate any conflicts of interest involving Sammontana and/or its personnel.
- Ensure **compliance** with all legislative provisions, regulations, standards, treaties, and applicable regulations from both national and international legislation.
- Prohibit and counteract all forms of **corruption, extortion, embezzlement, fraud, or money laundering** in business management. This includes illegal incentives, gifts to business partners (both given and received), and payments aimed at influencing governmental actions and/or business decisions or obtaining undue or illegitimate advantages, in compliance with current legislation on legality of payments.

Responsibility towards Stakeholders and Partnerships

- Develop analyses to identify **relevant stakeholders** for designing future engagement actions.

Commitment towards People

At Sammontana, in collaboration with our suppliers, we aim to value our employees, safeguard their fundamental rights, and promote their professional growth. To this end, together, we commit to:

Human Rights

- Ensure that every worker enjoys **full freedom, including the freedom of movement**, excluding any form of human trafficking or forced restriction of individual liberty.
- Guarantee the respect and **protection of fundamental human rights for workers**, condemning child labor and paying particular attention to the most vulnerable individuals, in compliance with all applicable legislative and regulatory provisions.¹
- Condemn practices of **forced labor and/or inhumane treatment** in any form, including the use of violence, intimidation, harassment, or any other coercive means or modern slavery, to compel a person to work and/or maintain employment.
- Ensure individuals' right to **free association and proper information regarding employment**

¹ The Ten Principles of the United Nations Global Compact, the United Nations Guiding Principles, the Universal Declaration of Human Rights, the International Code of Human Rights, the OECD Guidelines for Multinational Enterprises, and the 8 Core Conventions of the ILO.

conditions, including hiring status, roles, compensation, working hours, and employment termination procedures. This set of information is communicated to the worker clearly and in their primary language to ensure proper understanding.

- Treating the personal data of workers according to the provisions of the current legislation regarding **privacy and confidentiality of information**.

Diversity and Non-Discrimination

- Safeguard the **right to diversity**, ensuring full dignity and fair treatment, condemning all forms of physical, verbal, or psychological discrimination or marginalization.
- Provide **equal opportunities to all workers**, identifying measures to monitor and prevent discrimination, and implementing appropriate corrective actions in case of disrespectful or unfair treatment.

Work Practices and Employee Well-being

- Ensure that all applicable legislative provisions, regulations, and ILO conventions regarding **working hours, maximum duration of work, leave, rest rights, overtime, permits, and absences** are respected, and that this information is communicated clearly and comprehensively to employees. Provide justified absence for sickness and work-related injuries, upon presentation of appropriate certification. Ensure worker's compensation during holidays or leave periods.
- Enforce **fair compensation** that respects local market values, limits set by collective bargaining and/or prevailing regulations, and that is timely and transparent.
- Allocate adequate resources and time for the **development of employees' skills**, offering them training opportunities, and enhancing their personal skills and inclinations.

Staff Health and Safety

- Provide adequate **training to all personnel on workplace safety** and appropriate safeguards in the event of exposure to risks for personal safety, including the provision of free-to-use Personal Protective Equipment (PPE).
- Assess and prevent **risks and emergency situations**, and adopt appropriate response plans that are known and shared with all workers, striving for **continuous improvement** in actions to promote and maintain a healthy and safe working environment.
- Record and investigate any form of **work-related incident** requiring the intervention of health authorities, including "near misses."
- Ensure compliance with all current regulations related to **health and safety issues in the workplace**.

Commitment towards the Planet

At Sammontana, we collaborate with our suppliers, aiming to actively contribute to creating a sustainable future by adopting responsible practices that respect the planet's limits. This implies the adoption of a new perspective on production processes and the use of resources. To this end, together, we commit to:

Environmental Compliance

- Ensure **compliance** with all current laws and regulations related to the environment.

Air Emissions and Energy Consumption

- Collaborate on calculating the environmental impact of the supply chain, with the goal of having the most accurate quantification possible, through sharing primary data related to **CO₂ emissions**, **energy consumption**, and/or sharing general information (such as process descriptions).
- Implement **energy efficiency** projects with the aim of reducing our environmental impact.

Water resource management

- Collaborate on calculating the environmental impact of the supply chain, with the goal of having the most accurate quantification possible, through sharing primary data related to **water consumption**, and/or sharing general information (such as process descriptions).
- Adopt practices to **decrease the use of clean water and promote recycling of wastewater** to reduce the water footprint of the supply chain.

Waste management

- Ensure responsible management and proper treatment of **waste** and collaborate, as required, to minimize pollution of water, air, and soil in the supply chain.

Chemical and Pesticide Management

- **Use chemicals responsibly** and in accordance with current regulations, minimizing the use of those that can become hazardous or could be used in a dangerous manner for human health and the environment, and promoting biological and natural production processes.
- **Raise awareness** and **educate** employees and other industry operators about the proper use of chemicals present in the supply chain.

Deforestation and Biodiversity

- **promote sustainable agriculture and cultivation practices that preserve biodiversity**, ensuring that business activities and production processes do not have a negative impact on forests and other areas with high carbon stocks² or high conservation value³, or on other protected areas.

Animal Welfare

- Ensure practices aimed at **animal welfare** in production processes and business activities, in accordance with the regulations of the countries where we operate and where breeding occurs, and in compliance with sector standards.

Raw Material and Packaging Impact

- Take necessary measures to reduce the environmental impact from the sourcing and use of raw materials and packaging, by choosing **more sustainable raw materials and packaging materials**.

Reducing Food Waste

- Develop practices to **minimize food waste and optimize processes**, aiming to reduce waste throughout the entire supply chain.

Commitment towards Customers

At Sammontana, when collaborating with our suppliers, we aim to set an example for consumers in the food industry, encouraging responsible behaviors and healthier lifestyles through utmost attention to product safety and traceability, as well as responsible labeling. Therefore, together, we commit to:

Quality and Food Safety of Products

- Share clear and transparent information regarding the **methods and resources** used in the production processes.
- Ensure full **compliance with all existing laws, regulations**, and industry best practices concerning quality and food safety.

² High Carbon Stock (HCS) is a methodology that distinguishes forest areas under protection from those with low carbon and biodiversity values.

³ High Conservation Value (HCV) refers to natural habitats where biological, ecological, social, or cultural values are of exceptional significance at the national, regional, or global level, or of critical importance at the local level.

Traceability and Transparency

- Collaborate on **supply chain traceability**, with the goal of increasing transparency by sharing data related to the volumes, types, and origins of goods sold to Sammontana.

Transparent Communication

- Adopt **labeling practices** that comply with existing regulations and are responsible and transparent towards end consumers.

Innovation and Digitalization

- Promote the adoption of **innovative management and production practices**⁴ through new technologies to continuously enhance processes and sustainability performance across the entire supply chain.

Evolving Practices

Governance

Quality, Integrity, and Legality

- Ensure **anonymous reporting channels** and, if necessary, conduct formal investigations based on fair and objective processes, and take appropriate corrective measures to uphold quality, integrity, and legality.
- Be open to **transparent information exchange** and sharing of good management practices.

Responsibility towards Stakeholders and Partnerships

- Involve **relevant stakeholders** in concrete actions for collective benefit, promoting partnership and mutual collaboration.
- Develop **improvement plans** with identified relevant stakeholders that enable us to contribute to the creation of **shared well-being**, making the society in which we operate healthier, fairer, and more sustainable.

⁴ Innovative Management and Production Practices can involve the use of machinery and robotic technologies to enhance efficiency and productivity through means such as data analysis to improve production techniques and eliminate waste, as well as real-time monitoring systems to enhance traceability along the supply chain.

- Collaborate with identified relevant stakeholders to develop **improvement plans** that allow us to contribute to the **regeneration of the biosphere**, aiming to combat climate change, reduce pollution, raise awareness, and promote environmentally sound practices throughout our supply chain.

Commitment towards People

Human Rights

- Have a **proactive role in safeguarding human rights**, also collaborating with organizations, entities, and institutions, with a particular focus on countering the phenomenon of "caporalato" (a form of labor exploitation).
- Encourage **employees to report and/or denounce** policy violations through a clear, shared, and anonymous system that guarantees protection for those who come forward.
- Analyze the reports received in a serious and professional manner and implement any necessary **corrective and/or disciplinary actions** promptly.

Diversity and Non-discrimination

- Develop a **diversity and inclusion policy** aimed at analyzing, preventing, and countering discriminatory behaviors in every business decision.
- Promote and collaborate on the adoption of **diversity and inclusion practices**⁵, monitoring relevant metrics to gather data within the supply chain.

Work Practices and Employee Well-being

- Develop **compensation plans** inspired by the principle of meritocracy and taking into account the personal and family needs of employees, also in relation to the local context
- Invest in **structured and continuous training of workers** through appropriate tools, in order to enhance both their professional and personal potential.

⁵ For instance, developing training and awareness programs on the subject, participating and collaborating in organizing workshops or working sessions on the topic of diversity and inclusion within the supply chain.

Staff Health and Safety

- Encourage the development of a **corporate culture** regarding occupational health and safety, through **awareness programs** for workers, including specific initiatives and collaboration with expert partners on these issues.

Commitment towards the Planet

Environmental Compliance

- Develop virtuous practices beyond existing regulations by adopting **environmental management systems**, measuring environmental performance with the highest reference standards, and initiating continuous improvement initiatives for performance enhancement.

Emissions into the Atmosphere and Energy Consumption

- Develop an internal system for **mapping direct CO₂ emissions (Scope 1 and Scope 2) as well as external emissions** outside the organization (Scope 3).
- Develop a **carbon neutrality plan**, with specific attention to relevant areas, through efficiency initiatives and/or applicable offset projects.
- Procure electricity with guarantees of origin (with the potential sharing of guarantee of origin certificates) or, when feasible, self-generate **energy from renewable sources**.

Water Resource Management

- Develop an internal system to collect and monitor data related to **direct and indirect water consumption** across the value chain.
- Monitor water intake sources through external standards⁶ and limit withdrawals from **areas with high water stress**.

Waste Management

- Develop an **internal system** to collect and monitor data related to waste generated.
- Develop a waste management plan with a strong emphasis on **source reduction, recycling, and**

⁶ Aqueduct Water Risk Atlas from the World Resources Institute; the WWF Water Risk Filter

material recovery, in line with circular economy principles.

Chemical Management and Pesticides

- Invest in and support research to develop **more ecological, sustainable, and/or alternative chemical processes**.
- Ensure **constant and transparent communication** regarding the substances used in production processes.

Deforestation and Biodiversity

- Develop initiatives in collaboration with indigenous communities and/or local partners, aiming to **promote and preserve biodiversity** and the **resilience** of natural areas and the environment in which we live and operate, contributing to the **regeneration of the ecosystem**.

Animal Welfare

- Develop practices aimed at continuous and **progressive improvement of animal welfare**, defining, together with the supply chain, requirements stricter than those proposed by current regulations and encouraging certification for animal welfare throughout the supply chain, following reference standards⁷.

Impact of raw materials & packaging

- Apply **ecologically compatible design principles** and practices to reduce the amount of materials used in production processes, especially those from non-renewable sources, while maintaining the same levels of quality.
- **Measure the environmental impact of raw materials and packaging** used through specific studies in line with national and international standards.⁸

Food Waste Reduction

- Develop initiatives, also in collaboration with external partners or other actors in the supply chain, to combat food waste and raise consumer awareness. Support **research, training**, and participate in national and international cooperation **projects** related to the issue.

⁷ Five Freedoms, international standards for animal care; World Organisation for Animal Health (OIE); Global Animal Partnership (GAP): the GAP is a five-level certification system that ensures animal products have been produced in a manner that is responsible in terms of animal welfare. Animal Welfare Approved (AWA); Certified Humane: Certified Human; Global Food Safety Initiative (GFSI)

⁸ The most commonly conducted study is the Life Cycle Assessment (LCA), which is a method of environmental assessment that analyzes the impact of a product or process throughout its entire lifecycle, from material extraction to final recycling.

Commitment towards Costumers

Quality and Food Safety of Products

- Implement **food safety and quality management systems** that adhere to the highest global standards⁹, including third-party verification.

Traceability and Transparency

- Establish **qualification, selection, and evaluation processes** for suppliers that integrate **sustainability aspects and principles** in line with this document.
- Develop **mapping and reporting systems** for the use of scarce natural resources or other materials with significant environmental impact.¹⁰

Transparent Communication

- Develop **labeling practices** that incorporate aspects related to the measurement of environmental and social impacts.

Innovation and Digitalization

- Participate in **workshops** and other **events** focused on business innovation and digitalization to foster scientific research and technological capabilities both within and outside the organization.

Reporting Violations

A constant and constructive dialogue is fundamental to the relationship between Sammontana and our suppliers. Any violations of the contents of this document, whether suspected or proven, as well as requests for clarification or in-depth information regarding the contents, should be appropriately shared with Sammontana's "Code of Conduct Committee" at the following email address: cdc.fornitori@sammontana.it.

We will handle the received reports in accordance with company procedures, aiming to prevent any form of retaliation, discrimination, or penalization towards the reporters. We also ensure the anonymity of the reporter and the confidentiality of the reported facts, subject to legal obligations and the protection of Sammontana's rights.

⁹ International Standards for Food Safety, the World Health Organization (WHO); Food and Drug Administration (FDA) guidelines; International Food Safety Guidelines; ISO 22000:2018; FSSC 22000 standard.

¹⁰ Scarce or environmentally impactful materials are those rare in nature or have a significant environmental impact when extracted or used, such as precious metals, petroleum, uranium, thorium, lithium, cesium, wood, potable water, and other minerals.

Monitoring

At Sammontana, we regularly monitor our activities through inspection systems, audits, and periodic performance evaluations, which also involve the activities carried out by our suppliers. As our supplier, we ask for your commitment to collaborate in a fair and transparent manner in conducting these activities, which may include verifying compliance with the contents of this document.

Any instances of non-compliance with the basic requirements outlined in this document are managed, depending on the specific cases, by Sammontana's "Code of Conduct Committee," to which you can turn for questions or reports.

Resolution

In the event of non-compliance with the **basic requirements**, including through the monitoring activities described in the preceding paragraph, the Supplier may be requested to communicate the planned corrective actions within an agreed-upon timeframe and to implement these actions. Sammontana will monitor the implementation of these actions.

In case of a severe violation or non-compliance by the Supplier with the provisions listed in this Code, Sammontana reserves the right to suspend all relations with the Supplier or, if deemed appropriate, to unilaterally terminate any contractual agreement with the non-compliant Supplier.

Updates and Revisions

This Code represents the initial version of the document, available on the website www.sammontanaitalia.it.

Sammontana commits to periodically review and update this document.

Our commitment

By subscribing to Sammontana's Code of Conduct, we commit to upholding the principles outlined herein and to duly communicating them to our employees, collaborators, and suppliers.

Sincerely, 15/06/2023

Company Name

Sammontana S.p.A. Società Benefit

CEO

Leonardo Bagnoli

Company Role and Signature

A handwritten signature in black ink, appearing to be 'LB', written over a horizontal blue line.