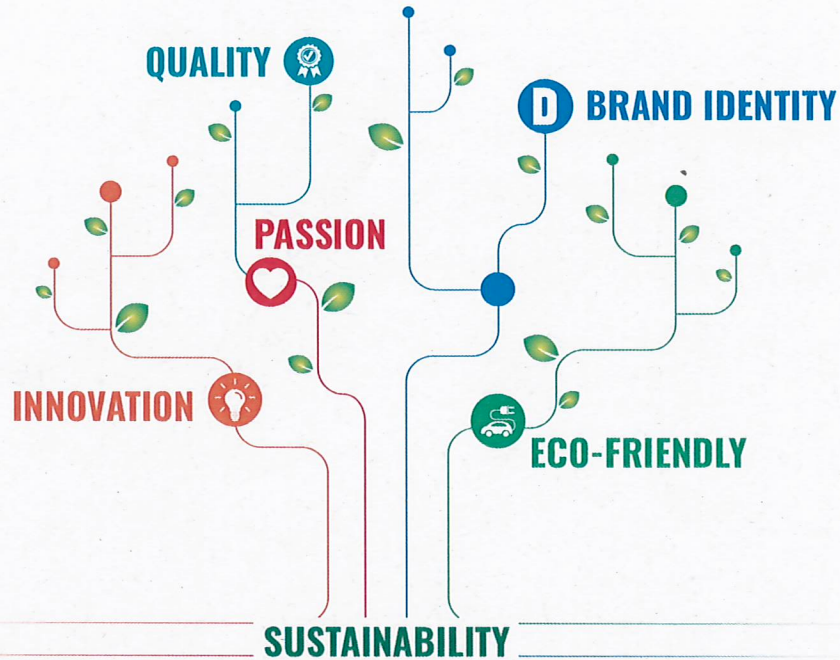


# WE CREATE VALUE



**DELLORTO**

# Sustainable Procurement Policy



For Dell'Orto Spa sustainability means simultaneously striving for economic, social and environmental goals in a way that gives them equal priority.

We want to create enduring value, provide good working conditions and a positive influence on human rights as well as handle the environment and resources with care.

Our global supplier network plays an integral part in the success of our company: it makes a major contribution to value creation and innovative strength, and hence to the success of Dell'Orto Spa.

The values that guide our relations with our suppliers are integrity, ethics and transparency, as indicated in our Code of Ethics. To establish robust and sustainable relationships, we ask all of our suppliers, including contractors, subcontractors and partners, to adopt the principles of conduct indicated in our Supplier Code of Conduct. This code indicates all of the standards to be upheld and applied throughout the supplier chain, covering topics such as lawfulness, ethics, human rights and the environment.

Consequently, our suppliers also play a significant role in helping us to get our sustainability targets: it is essential that our business partners meet the same environmental, social and governance standards we set for ourselves.

This is the reason why it is the policy of Dell'Orto Spa to identify and manage the environmental, social and economic impacts within our supply chain.

In particular, we are committed to:

- setting objectives and action plans in support of this policy, and pursuing continuous improvement of our best practices. In this regard, Dell'Orto Spa has implemented, at the beginning of 2021, a monitoring system of its suppliers that starts with a Self Assessment on sustainable ethical practices (legality, labor and human rights, ethics, environment protection etc);
- favoring suppliers who have embedded sustainable and ethical practices within their organization and who drive such practices within their own supply chain. Dell'Orto Spa requests to its suppliers the evidence of the certifications they have in terms of sustainability (for example the International Standard for Social Accountability SA8000 edit by CEPAA – the International Standard on Safety Management UNI EN ISO 45001 – the International Standard on Environmental Management UNI EN ISO 14001 – the International Standard on Sustainable procurement ISO 20400 – the International Standard on Energy Management UNI EN ISO 50001);
- identifying areas of higher risk and influence within our supply chain and engaging with suppliers in those areas;
- starting a process of conformity to the UNI EN ISO 20400, and complying with the letter and spirit of all applicable legislation.

Through supplier selection activity, and during the direct engagement, in consideration of the technical and economical characteristics, we are committed to favoring suppliers who actively:

- comply with the minimum sustainability requirements that we require them in our code of conduct for supplier, referred to our Document “Dell’Orto Spa – Code of Conduct for Suppliers”;
- reduce their environmental footprint through:
  - full respect form Land, Water and Forest resources;
  - the complete ban on forced evictions of local populations;
  - the implementation of policies aimed at the use of renewable energy and the reuse/recycling of material, within its production cycle;
  - management and Conservation of resources, including the use of energy, water and materials;
  - management of Waste minimization, both within their production operations and through reduction of packaging;
  - constant measurement of company waste, and analysis of performance in waste reduction;
  - reducing the impact of deliveries and maximizing local sourcing;
  - constant measurement of the level of use of water resources, and the reduction if water consumption waste;
  - analysis, monitoring and constant improvement of the Air Quality, inside production and work environments;
  - engage the use of less dangerous chemicals product, to preserve the environment, the health and safety of workers and the constant analysis of the risks associated with their use.
- deliver benefits to society through:
  - complying with International Labor Organization (ILO) principles in respect to human rights and conditions of employment;
  - ensuring that slavery and human trafficking is not taking place in any of their supply chains and in any part of their business;
  - the application of an ethical recruiting policy, which guarantees equal access opportunities based on objective and measurable merits;
  - compliance with a policy of complete gender equality as well as full respect for the rights of ethnic minorities and indigenous populations.
- drive economic growth through:
  - supporting job creation and facilitating opportunities for small-and-medium-sized enterprises (SMEs) and social businesses;
  - compliance with a solid financial responsibility policy;



- the implementation of a Policy aimed at guaranteeing respect for intellectual properties;
  - the development of an export control policy and an internal policy on economic sanctions;
  - considering the life-cycle cost of products;
  - providing the Living Wage (at a minimum) to employees and contractors.
- guarantee the compliance with our counterfeit parts policy: Dell'Orto SpA recognize that the counterfeiting of products and components is a serious problem for the worldwide company and (especially) jeopardises the safety of individuals. For this reason, Dell'Orto SpA is committed to prevented the introduction of counterfeit components to the supply chain. In particular, we ensure our business and our suppliers that follow the measures below:
    - all components shall be purchased from the Original Manufacturer or in alternative shall be purchased from authorised distributor;
    - all the components inserted in our supply chain shall maintain appropriate processes to isolate, quarantine, report and remove counterfeit components;
    - make unusable all material confirmed as counterfeit and provide evidence to the supplier and the Group Quality Manager;
    - ensure all staff involved in the procurement, inspection, and storage of components are trained to identify counterfeit parts.
  - adopts, in accordance with current regulations and international standards, preventive and defensive measures to minimize the necessity for active response by state and/or private security forces to threats to personnel and assets, even through the creation of a context of reciprocal respect between the company, workers and local communities.

**SUSTAINABLE PROCUREMENT POLICY IN DELL'ORTO SPA**



Dell'Orto Spa is committed to achieving the following objectives periodic monitoring of specific KPIs:

- signing of its Sustainable Purchase Policy and its Supplier Code of Conduct by all current and future suppliers forming part of the Vendor List;
- the commitment of Dell'Orto Spa to guiding our suppliers towards achieving the required and binding requirements, reported in our Supplier Code of Conduct; with the aim of aligning the entire supply chain with the required standards, with its policies aimed at continuous improvement and the activation of best practices.

To conclude, considering the growing complexity of our Supply Chain, we believe we can improve overall sustainability performance only through continuous and collaborative development with all our suppliers and sub-suppliers.

Cabiate, 01/10/2023

**Managing Director**

**Operations Manager**

