




SUPPLIER POLICY STATEMENT AND CODE OF CONDUCT



CLN S.p.A. and its Subsidiaries ('CLN') are committed to meeting the highest standards of Corporate Social Responsibility, as set out in the "CLN Group Code of Ethics", which explains the rules of conduct and social responsibility standards for the protection of health, safety, the environment and human rights adopted by CLN and published on the website <https://www.gruppoclن.com/en/csr>.

CLN expects its suppliers to adopt similar standards.

This Policy Statement and Code of Conduct sets out the guidelines that CLN expect suppliers to follow regarding Corporate Social Responsibility issues.



CLN calls upon its suppliers to encourage their subcontractors to comply with the guidelines set out in this document.

Responsible Sourcing

CLN is committed to a policy of responsible sourcing of production materials, equipment and services, and will favour suppliers whose policies and practices support a high level of Corporate Social Responsibility. If CLN becomes aware that a supplier falls below CLN's expected standards, a supplier assessment may be undertaken to determine whether CLN should suspend or discontinue the supply relationship.

Corporate Social Responsibility Commitments

CLN formally supports a number of globally recognised initiatives as set out on <https://www.gruppoclن.com/en/our-commitments>

CLN encourages its suppliers to make the same formal commitments in order to support their Corporate Social Responsibility efforts.

Working Conditions / Labour Practices / Human Rights

Child Labour

CLN suppliers may not employ child labour or people younger than the age legally required for taking up work pursuant to the legislation in force in the place where the supplier is based. In any case, people younger than fifteen years of age should never be employed by a CLN supplier, unless an exception is expressly provided for by the applicable international conventions or the local legislation.

CLN requires its suppliers to place all its sub-contractors under a corresponding obligation.



Forced and Compulsory Labour

CLN suppliers may not use any form of forced or compulsory labour, slavery, servitude, or human trafficking.

CLN requires its suppliers to place all its sub-contractors under a corresponding obligation.

Freedom of Association and Collective Bargaining

CLN supports the principle of freedom of association and favours the effective recognition of the right to collective bargaining.

Workplace Safety

CLN believes that health and safety in the workplace is a fundamental right of employees. CLN therefore encourages its suppliers to set occupational health and safety as their priority and to provide and maintain a safe work environment for their employees.

CLN expects suppliers to implement a consistent health and safety management system. Suppliers of production materials are strongly encouraged to implement a certified health and safety management system, such as ISO 45001 or equivalent.

Non-discrimination

CLN expects its suppliers to treat their workers in a fair and non-discriminatory manner with a guarantee of equal opportunity without discrimination on any basis whatsoever, including but not limited to reference to sex, sexual orientation, gender identity, ethnicity, skin colour, civil status, pregnancy and maternity, disability, religious belief, age, social position, union membership or political beliefs.

Business Ethics Standards

Anticorruption

CLN has zero tolerance towards acts of bribery, extortion, illicit payments, and corruption and prohibits them in any direct or indirect form. CLN will not tolerate the involvement of its employees or suppliers in acts of bribery and corruption.

Suppliers should not engage with employees of CLN in any way that could lead to a conflict of interest for those employees. Suppliers are required to report any actual or potential conflict of interest to CLN at the earliest opportunity.

Fair competition and anti-trust

All CLN suppliers are expected to conduct their business in line with fair competition and in accordance with applicable anti-trust and competition laws.

Compliance

Responsible and lawful conduct is key to CLN's corporate policies. CLN expects its suppliers to comply with all applicable laws, particularly those relating to fair competition, anti-trust, anti-corruption, the environment, labour, and human rights.

Environmental Standards

CLN expects its suppliers to act proactively to prevent environmental damage, and to take initiatives to ensure the promotion of greater environmental responsibility, and the development of environmentally friendly technologies.

CLN encourages suppliers to promote sustainable resource management and waste reduction, maximising the purchase of recycled and/or sustainable materials, as well as reuse and recycling strategies.

CLN expects suppliers to implement a consistent environmental protection management system. Suppliers of production materials are strongly encouraged to implement a certified environmental management system, such as ISO 14001 or equivalent.

GHG emissions, energy efficiency and renewable energy

CLN believes that the fight against climate change and how we use energy resources will determine the future of our society and therefore our business. CLN has made a clear commitment to the Paris Agreement and has set targets accordingly.

CLN encourages suppliers to implement improvements in their own activities to reduce carbon emissions by increasing energy efficiency, purchasing energy from renewable or low GHG sources, and investing in sources of renewable energy.

Water quality and consumption


CLN is conscious that water is a scarce resource. Suppliers are encouraged to adopt technologies and procedures that minimise the use of water and to recycle and reuse water wherever possible.

Responsible chemical management and waste disposal


CLN requires its suppliers to have in place procedures for the responsible management of chemicals and other hazardous waste. These procedures should include the proactive prevention or minimisation of the impact of accidents that may adversely affect the environment.

Waste treatment and disposal must be in compliance with applicable laws.

Conflict Minerals



The CLN's commitment to promoting socially and environmentally responsible procurement includes restricting the use of cassiterite, wolframite, coltan (which contain tin, tungsten, and tantalum respectively), and gold mined in the Democratic Republic of Congo ("DRC") or adjoining countries in conditions of armed conflict and human rights abuses.



It is CLN policy to refrain from purchasing minerals from any known conflict sources, and we expect our suppliers to adhere to the same standards.

CLN may request its suppliers to provide declarations and perform due diligence analyses regarding the source of the above minerals, if they are in the products they supply.

Reporting Channel

Any concerns relating to unethical or illegal conduct may be reported to CLN through <https://leaks.gruppocln.com>



Rivoli, May 2021

Gabriele Perris Magnetto



Chief Executive Officer

